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General Assembly
Sixty-fourth session

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Fifth Committee

Summary record of the 14th meeting
Held at Headquarters, New York, on Tuesday, 10 November 2009, at 10 a.m.

Chairman: Ms. Wairatpanij (Vice-Chairman) ..... (Thailand)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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The meeting was called to order at 10.05 a.m.

Agenda item 131: Programme budget for the biennium 2008-2009 (*continued*)

Capital master plan (A/64/5 (Vol. V), A/64/7/Add.5, A/64/326 (Part I) and Corr.1, A/64/346 and Add.1-2 and A/64/368 and Corr.1)

1. **Mr. Adlerstein** (Assistant Secretary-General for the Capital Master Plan), introducing the Secretary-General's seventh annual progress report on the implementation of the capital master plan (A/64/346), said that the project was on schedule and should be completed by 2013, as envisaged in the sixth report (A/63/477). Although the complexities of the swing space arrangements required under accelerated strategy IV had required some short-term adjustments to the schedule, ways had been found to absorb them in the forthcoming renovation work. The relocation of staff to off-site swing space had commenced in the spring of 2009 and would be completed by early 2010. A total of 3,188 staff had already moved into swing space in newly leased offices and existing United Nations properties. About 800 people would be relocated to on-site swing space in the basements of the compound, the Dag Hammarskjöld Library and the newly constructed temporary North Lawn Building.

2. Most functions of the Conference Building would be relocated to the temporary North Lawn Building in mid- to late December 2009, while the Security Council Chamber and associated rooms would move to the existing Conference Rooms 4, 5, 6 and 7, following their temporary renovation for that purpose, which would take about four months. The full renovation of the Conference Building would not begin until April 2010. Upon its completion in just under two years, the Conference Building functions would return to their home and the temporary North Lawn Building would be reconfigured to host the General Assembly functions, as well as providing office space for the Secretary-General and his staff. The renovation of the General Assembly Building would begin in late 2011.

3. Renovation of the Secretariat Building would begin as soon as the last of the offices had been relocated to the temporary North Lawn Building. It would involve pre-abatement clean-up and removal; asbestos abatement; interior clean-out and selected demolition; curtain wall removal and replacement; and interior fit-out. The renovation of the buildings was dependent upon the extensive renovation of the basement infrastructure, involving the replacement of all heating, ventilation, air-conditioning, plumbing, electrical, security and other systems, at a cost of over $300 million. The basement renovation, which was already well under way, was the most complex part of the project, since the work and staging areas were very limited and located close to occupied work space.

4. Through the incorporation of new technologies such as high-efficiency lighting, heating and air-conditioning equipment, an automated building management system, low-flow toilets and a rainwater harvesting system, completion of the capital master plan would significantly improve the environmental performance of the Headquarters complex in a number of key areas. In particular, energy consumption, greenhouse gas emissions and freshwater consumption would be reduced by 50 per cent, 45 per cent and 40 per cent, respectively.

5. Contracts, guaranteed maximum price agreements, leases and other forms of commitments had already been finalized for a total of $1.366 billion, representing 70 per cent of the projected cost to complete. That greatly reduced the level of budget risk, especially in relation to inflation. Procurement opportunities were widely communicated by all appropriate means, including through advertisement on the website of the construction manager, Skanska; regional and trade show outreach; and courtesy notification of significant opportunities to all Permanent Missions. According to Skanska, about 6.2 per cent of the total contract value to date had been sourced from outside the United States of America.

6. The capital master plan required the relocation of many gifts received by the Organization in past years. Some exterior artwork on the North Lawn had been relocated before the commencement of construction work, while the temporary North Lawn Building would be used as a display area for most of the interior artwork. The Office of the Capital Master Plan and the Office of Central Support Services were both involved in planning such relocations.

7. Many Member States had contacted the Office of the Capital Master Plan regarding the prospects for making special donations for particular spaces. Pursuant to General Assembly resolution 63/270, the Secretary-General had issued a revised donations policy and had invited Member States to make cash

donations towards the renovation of a specific space or building element. Such donations would be publicly acknowledged and the donor would have design input for the space in question.

8. While the fifth annual progress report had reported that the capital master plan was about $219 million over the approved budget level of $1,876.7 million, by the time of the sixth annual progress report that gap had narrowed to about $97.5 million. The seventh annual progress report indicated that, with the adoption of the accelerated strategy, the conduct of design and value engineering exercises, and careful, disciplined management, the projected cost to complete now stood at $91.4 million over the approved budget. Costs continued to be reduced and the Office of the Capital Master Plan was confident that the project would be completed within the approved budget. While the project's financial position was strong, owing to the excellent financial support received from Member States, the Office was not optimistic about its ability to absorb all the associated costs, or the cost of the secondary data centre, within the budget.

9. Lastly, nominations for the advisory board had been requested and received from the regional groups, and the Secretary-General was expected to announce the board's composition before the end of December 2009, in accordance with the deadline set by the General Assembly.

10. **Mr. Yamazaki** (Controller) introduced the reports of the Secretary-General on the proposal for risk mitigation measures to protect data and the information and communications systems of the Secretariat during construction work of the capital master plan (A/64/346/Add.1) and on proposals for financing the associated costs required for the year 2010 from within the approved budget for the capital master plan (A/64/346/Add.2). The report on the proposal for risk mitigation measures (A/64/346/Add.1) provided an update on the implementation of the new secondary data centre, including the resources required for the biennium 2010-2011. The report on proposals for financing the associated costs (A/64/346/Add.2) detailed the status of implementation of approved resources for the biennium 2008-2009 and resource requirements for 2010, which remained broadly in line with the level requested in the previous report on associated costs (A/63/582), except for an adjustment to general temporary assistance resources to accommodate already approved staffing levels.

11. **Mr. Vanker** (Chairman of the Audit Operations Committee of the Board of Auditors), introducing the report of the Board of Auditors on the capital master plan for the year ended 31 December 2008 (A/64/5 (Vol. V)), said that since the current phase of the capital master plan project involved significant physical construction activities, extensive relocation work and a much higher rate of spending, the Board's annual audit for 2008 had focused on financial, scheduling and procurement aspects. Six of the nine recommendations made in the previous year's report (A/63/5 (Vol. V)) had been implemented, while one was under implementation. Of the two that had not been implemented, one related to the establishment of an advisory board, which had since been addressed by the General Assembly, and the other concerned the need to distinguish capitalized costs from operating costs. While the Administration had indicated that it would implement that recommendation by 31 December 2011, the Board stressed that, owing to the project's short time frame, recommendations must be implemented without delay.

12. The Board had made 17 recommendations in its report for the year ended 31 December 2008 (A/64/5 (Vol. V)), including three reiterated from the previous year. Among a number of important points, it had expressed concern about the total cost of the project, since the projected cost to complete was still higher than the approved budget level and the reduction in the cost estimates to date was partly attributable to a large reduction in the budget for contingencies from $477.8 million to $226.6 million; that approach did not appear conservative enough. It would only be possible to adhere to the approved budget if the project specifications were no longer modified, if there were no significant changes in the economic assumptions on which cost estimates were based and if the project did not have to absorb the associated costs.

13. The Board had also pointed out that the amount of $342.1 million disclosed as construction in progress on the balance sheet encompassed not only expenses that enhanced the value of the Organization's assets, but also all operating expenses funded from the capital master plan, some of which had no impact on the value of assets. That accounting treatment, which inflated the Organization's assets, was a consequence of its inability to separate capitalized costs from operating costs in its current accounting systems.

14. With regard to the project schedule, the Board had established that, considering the delay in the initial stages of the project, an average slippage of six months could have an impact on the rest of the project, if each subsequent stage required the same time as that initially planned. The project would not therefore be finished in 2013 as planned, unless the renovation work progressed more quickly than forecast. The Office of the Capital Master Plan had informed the Board that it intended to speed up the process.

15. Lastly, the Board was concerned about the inadequate level of internal control over contract amendments and the failure to comply with the requirements of the Procurement Manual relating to the review and recommendation process. Seven contracts had been amended many times, with manyfold increases in value, under special temporary increases in delegation of authority. As expenditure increased, the need for expedited procurement approvals must always be considered within the context of the Organization's rules and procedures; the practice of ex post facto approval should not replace the proper prior review of contract amendments.

16. **Mr. Baez** (Chief, Policy and Oversight Coordination Service), introducing the report of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its report on the capital master plan for the year ended 31 December 2008 (A/64/368), said that, for each recommendation made by the Board, the report provided details of the department responsible, the status, the priority and, where the recommendation had yet to be implemented, the target date for implementation, pursuant to General Assembly resolution 61/233 B. While the implementation of all recommendations would be treated as a priority, the 11 main recommendations had been designated as high priority and the others as medium priority. The report showed the overall implementation status of the main recommendations (table 1). Since the Administration continued to work closely with the Board and had provided full information, the Board's report in many cases adequately reflected the Administration's position.

17. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the report of the Advisory Committee (A/64/7/Add.5) related to the Secretary-General's seventh annual progress report on the implementation of the capital master plan (A/64/346) and its two addenda, as well as the report of the Board of Auditors on the capital master plan for the year ended 31 December 2008 (A/64/5 (Vol. V)) and the report of the Secretary-General on the implementation of the Board's recommendations (A/64/368).

18. The Advisory Committee recommended approval of the Secretary-General's recommendation that the General Assembly should decide to appropriate the remaining balance of $689.9 million towards the construction phases of the capital master plan. It emphasized the need for intensified coordination and consultation between the Office of the Capital Master Plan and all other key stakeholders in order to ensure effective planning of the project and avoid unforeseen delays. Furthermore, it recommended that the Secretary-General should be asked to provide more comprehensive information on the cost implications of any delays.

19. The Advisory Committee encouraged the Secretary-General to pursue the value engineering exercise so as to maximize the cost-effective use of resources while ensuring that the quality, functionality and scope of the project, and the integrity of the architectural design, were not compromised. It also reiterated its request for a detailed description of the exercise, the related costs and fees, and the potential savings that could be realized through each initiative. It encouraged the Office of the Capital Master Plan to award, where feasible, the remaining guaranteed maximum price contracts so as to derive maximum benefit from prevailing favourable market conditions, and reiterated its request for a comprehensive analysis of economic factors and the assumptions underpinning the cost estimates, as an essential means of gaining a better understanding of project risks. The Advisory Committee welcomed the proposed improvements in the environmental performance of the Headquarters facility and asked the Secretary-General to provide, in addition to the targets for reduced consumption, estimates of the resulting cost savings and the time frame for realizing them.

20. With regard to the Secretary-General's proposals for the secondary data centre, the Advisory Committee remained concerned about the risks to that project. It therefore urged the Secretary-General to continue to monitor the situation closely and ensure that the activities related to the migration and running of the secondary data centre were completed in accordance

with the time frame of the capital master plan. With regard to the Secretary-General's proposals for financing the associated costs of the capital master plan for 2010, the Advisory Committee recommended reductions in the projected requirements for the Office of Central Support Services and the Department of Safety and Security, and had some concerns about the lack of coordination and accountability for the implementation of projects under the associated costs heading. Since some of those activities, including the implementation of the secondary data centre and the construction of the permanent broadcast facility, were on the critical path of the capital master plan project timeline, any delays could have significant cost implications.

21. The Advisory Committee's observations on the recommendations of the Board of Auditors and the Secretary-General's response to them, particularly with regard to the Secretary-General's decision to combine the provisions for contingencies and inflation, and the extended delegation of authority granted to the Director of the Procurement Division to cover contract amendments relating to the capital master plan, were contained in chapter II of its report (A/64/7/Add.5).

22. **Mr. Elhag** (Sudan), speaking on behalf of the Group of 77 and China, said that the Group attached the highest priority to the smooth implementation and timely completion of the capital master plan. While it appreciated the progress already achieved following the transition from the design phase to construction activity, including the construction of the temporary North Lawn Building, it stressed that the schedule for the relocation of staff to swing spaces should be strictly followed so that repair and renovation work could begin in a timely manner and cost overruns could be avoided.

23. The Group regretted the slippage in the current schedule of the capital master plan, now projected to be completed in late 2013 rather than mid-2013, and was concerned about the possible impact of further delays. For example, the delayed decision to house the temporary Security Council Chamber in the main complex could delay the completion of the capital master plan until 2014. The Group deeply regretted the procedural difficulties, lack of managerial diligence and insufficient responsiveness to project needs that had already resulted in delays and tarnished the image of the United Nations. The Secretary-General should establish a mechanism to ensure full accountability for all factors contributing to such delays, which led to cost escalation and disrupted the Organization's work. A clear and realistic timeline for the implementation of the capital master plan should be prepared and provided to the General Assembly. The Group welcomed the accelerated construction schedule developed for the Secretariat Building in order to make up for previous delays and ensure that the project was completed before the swing space leases expired; the measures adopted should also help mitigate cost escalation and eliminate health and safety hazards. The Group concurred with the Advisory Committee that the Secretary-General should provide more comprehensive and specific information on project delays, including their cost implications.

24. While the Group appreciated the benefits of the value engineering exercise, it reiterated the General Assembly's request, contained in resolution 63/270, that detailed information should be provided on such activities, the costs and fees involved, and the advantages that could potentially be realized as a result of the prevailing market conditions. It also concurred with the Advisory Committee that the integrity of the architectural design of the complex should be preserved. The Group noted with satisfaction the high cash balance of the capital master plan fund and the interest income earned; however, bearing in mind that assessments of $88.4 million for the capital master plan were still unpaid for 2009 and previous years, the Group urged Member States to pay their outstanding assessments in full and on time. The donations policy for the capital master plan should not be restrictive and should be consistent with the Organization's international character and with the relevant provisions of General Assembly resolution 63/270.

25. The Group was concerned about the issue of parking spaces at the Headquarters complex and reiterated its request that there should be no reduction in the garage capacity available to Member States before, during and after completion of the capital master plan. It looked forward to receiving further information in the eighth annual progress report, following the review of options undertaken by the capital master plan design team. It welcomed the sustainability initiatives aimed at improving the environmental performance of the Headquarters facility, but underlined the need to present the expected savings associated with the reduced consumption targets, the time frames for achieving them and details

of their contribution to the overall project performance, together with a cost-benefit analysis.

26. The Group reaffirmed that all procurement activities relating to the capital master plan must comply with United Nations rules, regulations and procedures, as well as with the relevant General Assembly resolutions. In that regard, it concurred with the Board of Auditors that the Administration should adhere strictly to the requirements of the Procurement Manual and consider ways to increase significantly the level of internal control over amendments to contracts relating to the capital master plan. The Secretary-General should also take further specific measures to promote procurement opportunities for vendors from developing countries and countries with economies in transition, and provide Member States with detailed information on those measures, as requested in General Assembly resolution 63/270.

27. All recommendations of the Board of Auditors should be implemented expeditiously. In particular, an independent and impartial advisory board for the capital master plan, reflecting wide geographical representation, should be established by the deadline of 31 December 2009. Given the importance of oversight, the Board of Auditors and all other relevant oversight bodies should continue to report to the General Assembly annually on the capital master plan.

28. With regard to the proposals for the secondary data centre, as described in the Secretary-General's report (A/64/346/Add.1), the Group shared the concerns expressed by the Advisory Committee regarding the risks to that project and concurred with its recommendations. With regard to the proposals for financing associated costs (A/64/346/Add.2), the Group reiterated that, pursuant to General Assembly resolution 63/270, every effort should be made to finance associated costs from within the approved budget of the capital master plan, unless otherwise specified by the General Assembly. Lastly, the Group believed that the principles of clarity, transparency and responsibility were of paramount importance throughout the capital master plan project and expected more consistency in the information provided in the Secretary-General's future reports on the subject.

29. **Ms. Håkansson** (Sweden), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Montenegro and Serbia; and, in addition, Armenia, Liechtenstein, the Republic of Moldova and Ukraine, said that the European Union was pleased to see that the capital master plan project was well under way despite some slippage in the construction schedule. However, it was concerned that some of the recommendations of the Board of Auditors, particularly the ones on cost estimates and the review of contractual amendments, had not been accepted by the Secretary-General; it agreed with the Advisory Committee that the Secretary-General had not fully justified his response.

30. The information about the value engineering exercise and the healthy cash balance was encouraging; the Secretariat should seize further opportunities in the current economic climate to lower costs and bring the project back to within the agreed budget. The European Union reiterated its regret that the associated costs had not been built into the original budget proposals; it remained unconvinced that such costs could not be absorbed within the approved budget. The Advisory Committee was correct to argue that the associated costs should not include investment costs or long-term commitments. Additional information about the donations policy and the secondary data centre would be welcome.

31. **Ms. Pataca** (Angola), speaking on behalf of the Group of African States, said that the Group welcomed the progress made with the capital master plan but stressed the importance of expediting the relocation of staff to avoid any further delay in the work on the Secretariat Building. It regretted the slippage of the completion date from mid- to late 2013 and agreed with the Advisory Committee's recommendations in that regard. It naturally welcomed the accelerated schedule for the renovation of the Secretariat Building but requested the Secretary-General to provide more specific information on project delays and their cost and other implications.

32. The Group also welcomed the cost savings of some $100 million identified though the value engineering exercise and supported the continuation of the exercise. The requests concerning value engineering contained in General Assembly resolution 63/270 should be addressed in the forthcoming progress report on the capital master plan. The level of cash available to the project was satisfactory, but the Member States should pay their outstanding assessed contributions without delay. Any donations policy that

was consistent with the Organization's international character and the Financial Regulations and Rules, and that did not prejudice the scope of the project, would be acceptable.

33. The Group considered that, pursuant to General Assembly resolution 57/292, there should be sufficient parking space available on completion of the project to meet the needs of diplomatic missions and Secretariat staff. It welcomed the progress achieved in the area of sustainable design but requested clarification of the cost savings and the time frame for their realization. It also sought clarification of the procurement activities associated with the capital master plan, with regard in particular to increased opportunities for vendors from developing countries and countries with economies in transition.

34. The Group considered that the advisory board requested in several General Assembly resolutions should be established as a matter of urgency and was glad that the Secretary-General would be able to appoint its members before the end of 2009. It concurred with the recommendations of the Board of Auditors, which should be implemented expeditiously and in full. It also concurred with the Advisory Committee's recommendation on the proposal for risk mitigation measures to protect data and the information and communications systems of the Secretariat set out in the Secretary-General's report (A/64/346/Add.1). The Group urged the Secretary-General to make every effort to absorb the associated costs of the capital master plan within the approved budget. It called for sustained efforts to be made by all the relevant departments and offices for the duration of the plan and stressed the importance of coordination and of clear lines of responsibility and accountability.

35. **Ms. White** (Australia), speaking also on behalf of Canada and New Zealand, said that the three delegations welcomed the efforts to bring the capital master plan back within the agreed budget and acknowledged the project's sound cash position. They took seriously the observations of the Board of Auditors on the need to address gaps in internal controls and looked forward to receiving further justification of the Secretary-General's decision to withdraw the requirement for ex post facto review of contractual amendments and procurement processes. They would also welcome further discussion of the Board's view that the plan's budget would be unable to absorb the associated costs. They would be examining closely the project's safety and security needs.

36. It was of utmost importance for the United Nations to respect its mandates in all areas, including the capital master plan. In that connection, the efforts to comply with the design standards to meet the needs of persons with disabilities deserved commendation: United Nations Headquarters should offer a leading example of full compliance with the Convention on the Rights of Persons with Disabilities. It was to be hoped that appropriate facilities for nursing mothers would be provided under the plan and that the efforts to improve the implementation of the no-smoking regulations would be continued.

37. **Mr. Lim** (Singapore) said that his delegation noted with satisfaction the significant progress made with the capital master plan and urged the Secretariat to ensure that the project was completed on time. The use of green technology to reduce energy and water usage had the potential to deliver real dividends. However, the changes in the project design gave rise to concern, in particular the decision not to relocate the Security Council to the temporary North Lawn Building, for they added costs and delays and increased the burden on the Member States.

38. It was unfortunate that the brunt of the reduction in parking space was being borne by Secretariat staff, but diplomatic missions were suffering as well; it was to be hoped that the review of available options currently being carried out by the design team would resolve the issue to the satisfaction of all parties. His delegation also hoped that the users of the new premises would enjoy a smoke-free environment; it reiterated its suggestion that dedicated smoking enclosures should be provided. Although implementation of the capital master plan would not be problem-free, all the stakeholders should take a long-term view, while making sure that the necessary resources were made available.

39. **Mr. Hussain** (Bangladesh) said that his delegation attached importance to compliance with technical and safety regulations and environmental standards in the implementation of the capital master plan. It welcomed the progress made thus far but was concerned about the slippage in the construction schedule due to procedural delays and inadequate planning; for example, the decision to house the Security Council in the General Assembly Building

exemplified the lack of serious coordination among Secretariat departments. The Advisory Committee was right to call for detailed explanations of delays and statements of the cost implications. Every effort should be made to complete the project within the approved budget. The cost savings identified through value engineering were welcome, but value engineering must not be allowed to compromise the quality of the work. Given the varied nature of the factors contributing to cost reductions and efficiency gains, his delegation would appreciate receiving detailed information on costs and fees, as requested in General Assembly resolution 63/270.

40. The failure to comply with the accounting principle of cost classification identified by the Board of Auditors was disappointing: both operating expenses and capital expenditures had been recorded as construction in progress, a treatment which inflated the Organization's construction assets. Furthermore, the cash surplus was due to the delayed implementation of scheduled work. Taken in conjunction with the unpaid contributions of $88.4 million, that accounting approach did not give a true picture of the project's financial position.

Liabilities and proposed funding for after-service health insurance benefits (A/62/541 and Add.1, A/64/7/Add.4 and A/64/366)

41. **Mr. Yamazaki** (Controller), introducing the report of the Secretary-General on liabilities and proposed funding for after-service health insurance benefits (A/64/366), said that the Organization's liabilities in respect of post-employment benefits were now reflected in the financial statements. The report recommended that the United Nations should move away from financing such benefits on a pay-as-you-go basis and introduce a funding strategy to ensure that adequate funds were systematically put aside to meet the cost of current and future liabilities in full. The principal objective was to contain costs while maintaining health insurance coverage for serving staff and retirees comparable to the programmes of large employers and Governments. However, despite the containment initiatives noted in the report, costs were projected to increase considerably in the years ahead.

42. The Organization's share of the costs of after-service health insurance benefits for current retirees was appropriated on a biennial basis in the special expenses section of the programme budget; for the 2010-2011 biennium, part of that share would be met from the support accounts for extrabudgetary funds and peacekeeping operations. The pay-as-you-go costs had increased dramatically over the years: the total of $130.4 million for 2010-2011 was more than quadruple the amount for the biennium 1994-1995. As that trend was expected to continue, the current financing arrangement was not sustainable. The method for calculating the after-service health insurance liability treated the entitlement in question as deferred compensation and thus provided for the accumulation of the liability over the working life of staff members. The Organization's share of the accrued liabilities had been actuarially valued at $2,430 million as at 31 December 2007, compared with $2,072 million at the end of 2005.

43. The General Assembly had recognized the liabilities by its resolution 60/255; it was now time to adopt a funding strategy. Paragraphs 47-73 of the report set out three funding alternatives for staff working under the regular budget, extrabudgetary funds and the peacekeeping budgets. Each alternative set an initial 30-year funding target of under 100 per cent and included a charge against salary costs as the most equitable method of financing. The third alternative was the recommended option: it consisted of a one-time infusion of $425 million and a long-term strategy which initially maintained the current funding provisions while also applying a charge against salary costs.

44. For the one-time infusion the report requested approval for the transfer of $290 million from unencumbered balances under peacekeeping budgets for the 2008/09 financial period to an after-service health insurance reserve fund as an alternative to requesting a separate assessment of the Member States. Such a move would require the suspension of financial regulation 5.3. Approval was also requested for the transfer of $83.1 million from the medical and dental reserve fund and $51.9 million from the compensation reserve fund.

45. The recommended option also included appropriations under the special expenses section of the regular budget and under the accounts for extrabudgetary funds and peacekeeping operations, as well as charges of 9.6, 2.6 and 1.0 per cent, respectively, against net salary costs. The figures given in the report were indicative. Periodic reviews would be required in order to ensure that a systematic

increase in funding levels was maintained and full funding ultimately achieved. The report included an outline of an investment strategy for an after-service health insurance reserve; discussions had been held in that connection with the Investment Management Service of the United Nations Joint Staff Pension Fund. The report also recommended the funding of reserves for the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda.

46. The many staff members who were precluded by their employment in the United Nations from entitlement to after-service benefits in their home countries were dependent on the Organization for that social protection. Health insurance coverage for retirees on a cost-sharing basis remained an important component of the overall compensation package and conditions of service of international civil servants. The introduction of a long-term funding strategy coupled with cost-containment initiatives was the prudent way forward.

47. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had considered the three funding alternatives proposed by the Secretary-General. It considered that a decision to establish a reserve fund to finance the Organization's after-service health insurance liabilities for the long term or to continue the current pay-as-you-go approach was a policy matter for the General Assembly.

48. Irrespective of that decision, the Advisory Committee agreed with the Secretary-General's proposals to continue biennial appropriations to cover the cost of subsidy payments in respect of current after-service health insurance participants who had retired under the regular budget and peacekeeping budgets and to establish biennial appropriations to cover such costs for staff who had retired under extrabudgetary funds.

49. With respect to the Secretary-General's proposals for funding the current and future after-service health insurance liabilities of the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia, the Advisory Committee was of the view that the United Nations should take a consistent approach to the funding of such liabilities. It recommended therefore that appropriations should be made to cover the costs in respect of current participants who had retired from the two Tribunals. Since the Tribunals had limited mandates, the General Assembly would need to address their long-term liabilities in the context of the final performance reports.

50. On the question of alternative investment strategies for a reserve fund to be established under the proposed funding alternatives, the Advisory Committee was of the view that more detailed information, in particular on the administrative costs of managing such a fund, should have been provided in the report. It recommended therefore that the information in question should be provided to the General Assembly.

51. The Advisory Committee's other recommendations were contained in chapter VII of its fifth report on the proposed programme budget for the biennium 2010-2011 (A/64/7/Add.4).

52. **Mr. Elhag** (Sudan), speaking on behalf of the Group of 77 and China, said that the Group attached great importance to the welfare of staff members, in particular those who were not entitled to social security benefits in their home countries by reason of their service with the United Nations. A long-term solution to the problem of after-service health insurance liabilities which took account of international practice should be adopted. The Group agreed with the Advisory Committee that the Secretary-General needed to address the problem on a system-wide basis.

53. The Group sought clarification from the Secretariat as to how the pay-as-you-go approach functioned and how it was related to the accumulation of after-service health insurance liabilities; in view of the significance of the discount rate it wished to know in particular why the 5.5-per-cent rate chosen for 2005 had remained unchanged until the end of 2007. Since the International Public Sector Accounting Standards were not to be applied until 2012 at the earliest, what impact would that delay have on the actuarial methodology for validating the accrued liabilities?

54. The Group concurred with the Advisory Committee's observations on the three funding alternatives and would welcome an explanation of why no recommendation had been made for the full funding of the liabilities and why different funding percentages had been proposed for the three alternatives. Furthermore, the Member States could not take an informed decision without further details of the possible investment strategies for a reserve fund. With regard to the proposed transfers of funds from the

compensation reserve fund and the medical and dental reserves, the Group would welcome clarification of the current use of those reserve funds and of the potential impact of the proposed transfers on them. It endorsed the position of the Advisory Committee that the transfer of unencumbered balances from the peacekeeping budgets was an inappropriate financial management practice.

55. **Mr. Kanamori** (Japan) said that, given the daunting prospect of increasing liabilities, his delegation shared the Advisory Committee's view that the General Assembly might wish to review the scope and coverage of the existing after-service health insurance plans, as well as the contribution levels of the Organization and the participants. The General Assembly might consider in particular the imposition of a limit on the duration of the coverage of retired staff members and their dependants. The Secretary-General should recalculate the accrued liabilities and formulate a new funding strategy on the basis of such a possibility. In any event, his delegation could not accept the current funding proposals, in particular the transfer of $290 million in unencumbered balances from the peacekeeping budgets. Such balances should be returned to Member States.

56. His delegation would like to be informed about the actual circumstances under which some Member States allegedly denied United Nations retirees national social security benefits. If such situations obtained, had the Secretariat ever held consultations with the States in question in an attempt to relieve the financial hardship suffered by such retirees? The Japanese delegation agreed with the Advisory Committee that appropriations should be made to cover health insurance costs only in respect of current participants who had retired from the two Tribunals.

The meeting rose at noon.

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Summary record of the 15th meeting
Held at Headquarters, New York, on Tuesday, 17 November 2009, at 10 a.m.

Chairman: Mr. Maurer ..... (Switzerland)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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Agenda item 132: Proposed programme budget for the biennium 2010-2011 (*continued*)

Agenda item 154: Financing of the United Nations Observer Mission in Georgia

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The meeting was called to order at 10.15 a.m.

Agenda item 137: Human resources management (A/64/230, A/64/267, A/64/269, A/64/316, A/64/352 and A/64/518)

1. **Ms. Pollard** (Assistant Secretary-General for Human Resources Management), introducing the report of the Secretary-General on the composition of the Secretariat (A/64/352), said that it covered a total of 39,978 staff, up from 30,548 in 2006. That represented an increase of almost one third in the previous three years, 89 per cent of which was attributable to an increase in the number of staff in field operations, from 14,777 in 2006 to 23,158 in 2009. As at 30 June 2009, the Secretariat had counted 15 unrepresented and 30 underrepresented Member States among 2,809 staff members recruited against posts subject to geographical distribution, compared to 18 unrepresented and 11 underrepresented Member States among 2,631 staff members in such posts in 2006. All 192 Member States were now represented among staff recruited against all posts, whereas in 2006, 182 of the 191 Member States had been represented among all staff. With regard to gender balance, 33.7 per cent of staff were women. That overall figure resulted from a combination of near-parity — 49 per cent — in the number of female staff at Headquarters, the regional commissions and offices away from Headquarters, and a lower percentage of female staff in field operations — 20.9 per cent — that was partly due to the specific nature of field missions.

2. In the Secretary-General's report on the provisional Staff Rules (A/64/230), the General Assembly was requested to take note of the new rules, to approve continuing appointments and to allow staff members to maintain permanent resident status outside their country of nationality. In its resolution 63/271, the Assembly had approved the amended Staff Regulations required to implement the new contractual framework as from 1 July 2009. The new Staff Rules had been promulgated provisionally with effect from 1 July 2009 and reflected the Assembly's decisions on the implementation of temporary, fixed-term and continuing contracts (with implementation of the last type of contract currently on hold) and related conditions of service as well as on the new system of administration of justice. The provisional Staff Rules would enter into force on 1 January 2010, taking into account any modifications the Assembly might determine. Once the Assembly approved the criteria for implementing continuing appointments, the relevant rules would be amended accordingly.

3. The Secretary-General's report on the implementation of continuing appointments (A/64/267) responded to the full range of issues raised by the Assembly — including financial implications, the role of the performance appraisal system, the issue of "continuing need", the possible establishment of a ceiling and decision-making procedures — and requested the Assembly to approve the implementation of continuing appointments as from 1 January 2010. Field staff as well as staff at Headquarters would be eligible for consideration for continuing appointments. The decision on the number of field staff to be granted continuing contracts would be based on the continuing needs identified through workforce planning. Continuing needs for field missions were viewed from three perspectives: the global requirement for ongoing functions in the field and elsewhere in the Secretariat; the life cycle of mission mandates; and baseline staffing requirements, taking into account patterns of change in mission staffing levels. The report also contained information on the implications of the proposed continuing appointments for the system of geographical ranges, Junior Professional Officers and successful candidates in competitive examinations. She hoped that with the additional information provided, the Assembly would approve the implementation of continuing appointments with effect from 1 January 2010.

4. Introducing the report on the practice of the Secretary-General in disciplinary matters and possible criminal behaviour, 1 July 2008 to 30 June 2009 (A/64/269), she reminded the Committee that the new system of administration of justice had taken effect on 1 July 2009. That had forced the Administrative Law Unit of the Office of Human Resources Management to change the way it handled disciplinary cases and appeals, adding significantly to what had already been a heavy workload. The number of cases had tripled in the previous six months. She reminded the Committee that the report under consideration did not reflect the new system of administration of justice. It contained information on actions taken in 301 cases that had been referred to the Administrative Law Unit, and also provided an overview of the administrative machinery for disciplinary matters, a summary of the cases for which disciplinary measures had been imposed by the

Secretary-General and statistics on the disposition of all cases completed during the reporting period.

5. **Mr. Benson** (Director, Ethics Office), introducing the report of the Secretary-General on the activities of the Ethics Office (A/64/316), said that the report contained the text of the system-wide Code of Ethics that had been developed at the General Assembly's request. The outcome of extensive system-wide consultation, the Code was a concise statement of the core values and principles espoused in the Charter, the Staff Regulations and Rules and the standards of conduct for the international civil service. It was meant to be values-based and aspirational in nature instead of rules-based and disciplinary and was therefore complementary to the Staff Regulations and Rules and the standards of conduct.

6. The confidential financial disclosure programme was intended to manage organizational risks and thus preserve the Organization's integrity and reputation. The number of participants had stood at 3,118 in 2008, almost double the number of participants in 2006. The compliance rate was 99.16 per cent. The number of Under-Secretaries-General and Assistant Secretaries-General participating in the Secretary-General's voluntary public disclosure initiative had also increased, from 120 participants in 2007 to 149 in 2008.

7. The Ethics Committee had been established in January 2008 by Secretary-General's bulletin ST/SGB/2007/11 and covered eight United Nations entities: the Secretariat, the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA), the World Food Programme (WFP), the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), the Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Office for Project Services (UNOPS) and the United Nations Children's Fund (UNICEF). It had provided substantive and technical support to the Secretary-General in developing the Code of Ethics and had carried out a policy review to identify ethics-related gaps and ways to bridge them, particularly in the areas of norm-setting, financial disclosure, ethics training and protection against retaliation. Over the previous year, the Committee had improved the coordination of ethics-related policies and activities within the Secretariat and the funds and programmes in order to ensure a coherent approach to the system-wide application of ethics.

8. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee on human resources management (A/64/518), said that the Secretary-General's report on the implementation of continuing appointments (A/64/267) had not fully responded to the General Assembly's request in its resolution 63/250. In paragraphs 6 to 34 of its report (A/64/518), the Advisory Committee identified the areas that required further clarification and/or explanation if the Assembly was to take a fully informed decision.

9. With regard to the principal eligibility criterion for consideration for a continuing appointment — five years of continuous service — it was unclear how many staff might be awarded such appointments in the next five years. It appeared that field staff would be at a disadvantage compared to their non-field counterparts because, pursuant to General Assembly resolution 63/250, they would be limited to service in field missions until they had undergone a competitive process subject to the review of a central review body. Furthermore, the Advisory Committee was not convinced that locally recruited mission staff should be eligible for continuing appointments. Although peacekeeping had become a core activity of the Organization, individual peacekeeping missions were, by their very nature, temporary. Awarding continuing appointments to locally recruited staff whose service was limited to one operation in one location seemed to contradict the principle underlying the introduction of such appointments. Accordingly, the Advisory Committee recommended that local staff employed by those operations should continue to be hired on contracts of a finite duration.

10. With respect to the "continuing need" criterion, the Advisory Committee took the view that, until strategic workforce planning generated Organization-wide data on the types of functions for which there was a continuing need and the numbers of staff members required in the major occupational groups, it would be difficult to establish a basis on which to award continuing appointments. Clear criteria for determining whether a particular individual had transferable skills should be developed so as to ensure an objective review process and avoid recourse to the system of administration of justice.

11. The Advisory Committee was concerned that the performance review process proposed by the Secretary-General was overly burdensome and time-consuming. The Assembly might therefore wish to request the Secretary-General to identify further options for streamlining the process while ensuring that it remained sufficiently rigorous.

12. With respect to establishing a ceiling on the number of staff eligible to be considered for continuing appointments, the Advisory Committee recognized the basis for concerns about regulating the number of staff with a long-term claim on the Organization, but nevertheless continued to recommend against the establishment of a ceiling.

13. Turning to the Secretary-General's report on the provisional Staff Rules (A/64/230), she noted that most of the changes to the previous Rules reflected the introduction of the new contractual arrangements. The Advisory Committee recommended that the General Assembly should take note of the provisional Staff Rules set out in document ST/SGB/2009/7.

14. On the question of permanent resident status, the Advisory Committee was of the view that, with the increasing use of fixed-term appointments, it might not be fair to require a candidate to give up permanent resident status — a decision that had long-term consequences — so that he or she could take up a position that might last only two or three years. The General Assembly should therefore reconsider that requirement and, if agreement was reached, delete provisional staff rule 1.5 (c). The Advisory Committee was also concerned about staff members who had been recruited under the 200 or 300 series of the former Staff Rules, as many such staff would transition to fixed-term appointments under the new Staff Rules and would consequently be required to give up their permanent resident status as a prerequisite for continued employment with the United Nations. It was unreasonable to expect serving staff members to make a choice between renouncing permanent resident status and continuing their employment with the Organization. The Advisory Committee therefore recommended that measures should be taken to ensure that those individuals were not disadvantaged by the introduction of the new contractual regime.

15. With regard to the Secretary-General's report on the activities of the Ethics Office (A/64/316), the Advisory Committee recommended that the arrangements envisaged to address circumstances in which the Office of Internal Oversight Services declined to investigate cases of alleged retaliation referred by the Ethics Office should be clarified to the General Assembly.

16. Regarding the financial disclosure programme, the Advisory Committee noted that a study on the feasibility of conducting the programme in-house instead of outsourcing it would be completed by December 2009, at which point the findings and recommendations would be submitted to the General Assembly.

17. Regarding the Code of Ethics contained in the annex to the Secretary-General's report (A/64/316), the added value of a voluntary ethics code was unclear, given the standards of conduct developed by the International Civil Service Commission (ICSC) and the legal framework set out in the Staff Regulations and Rules. Since ICSC had already requested its secretariat to undertake an initial review of the standards of conduct, the Advisory Committee recommended that the General Assembly should revert to the issue of a code of ethics for the United Nations once that review had been completed.

18. The Advisory Committee had also considered the reports of the Secretary-General on his practice in disciplinary matters (A/64/269) and on the composition of the Secretariat (A/64/352). It would comment in detail on the latter report during its consideration of human resources matters at the Assembly's sixty-fifth session.

19. **Ms. Analena** (Vice-President, Staff-Management Coordination Committee), speaking on behalf of the staff of the regional commissions for Africa, Latin America and the Caribbean, Asia and the Pacific, and Western Asia; the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda; UNDP, UNFPA, UNOPS, UNICEF and UNHCR; the United Nations Offices at Geneva, Nairobi and Vienna; the Department of Field Support; and the United Nations University, said that she was pleased with the progress made in human resources reform but had some grave concerns. On the issue of continuing contracts, a study commissioned by the Staff-Management Coordination Committee, a copy of which had been circulated, had shown that indefinite, permanent or continuing contracts were the norm for civil servants worldwide and were generally offered at

an earlier stage than that envisaged for United Nations staff, the great majority of whom could only dream of the stability and job security that came with a continuing contract. Member States' concerns about who would be considered for conversion to continuing contracts and about performance management, geographical distribution and mobility were largely unjustified, as the Secretary-General's proposal included a requirement for a review of continuing need and performance. Only those staff who met both criteria would be considered for continuing contracts; staff who had been subject to disciplinary measures would not be eligible, meaning that only those who met the highest standards of integrity, efficiency and professionalism would be retained. The United Nations must accept its obligations as a socially responsible employer and apply those criteria to all staff, whether locally or internationally recruited.

20. The vast majority of staff were dedicated, competent and effective. One example was Ms. Perseveranda So, who in June 2009 had been killed in a bomb blast in Peshawar, where she had been implementing education programmes for girls. Throughout her 15 years of employment in the United Nations system, she had had only short-term contracts, yet she had given her life in the service of the Organization. If the Assembly failed to approve the awarding of continuing contracts, it would punish many staff members out of fear that some poor performers would slip through the review system. Furthermore, no evidence had yet been produced on the numbers of non-performing staff. If that was to be the basis for denying a right that was the norm elsewhere, then substantive evidence of non-performance should be made available.

21. Some Member States were concerned about underrepresentation, yet it was no surprise that many candidates would not choose to join the United Nations when they could obtain job security in their own civil services after as little as six months of service. The lack of job security also contributed to the high staff turnover rate and low mobility. Failure to implement continuing contracts would suggest that Member States had little concern for staff members.

22. With respect to security, the United Nations was still a soft target with protections that fell short of best practices. Member States must provide adequate resources to afford staff members the protection required under the Charter: the staff could not fulfil the Organization's mandates if they had to work while fearing for their lives.

23. **Mr. Kisambira** (President of the United Nations Staff Union) said that, while he welcomed some aspects of the new contractual arrangements, they should not replace the permanent appointment, which guaranteed the independence of the international civil service. The new contractual arrangements and provisional Staff Rules purported to cover staff "serving as one", yet they contained significant exceptions. The implementation of continuing appointments should be accompanied by an improved, uniform staff selection system, a revamped performance appraisal system and enforced accountability.

24. The provisional Staff Rules reduced the benefits and entitlements of staff on temporary appointments compared with staff on fixed-term, continuing and permanent appointments, in contravention of the "equal pay for equal work" principle. The rules also gave staff members on temporary or continuing appointments less protection from dismissal than staff on fixed-term appointments.

25. To ensure equity and fairness, the central review bodies, which currently merely reviewed the selection process for compliance with the selection criteria, should be given greater power in the actual selection of candidates for recruitment, promotion, contractual conversion and termination.

26. Provisional staff rule 1.3 on staff performance and accountability was inadequate. Performance appraisals should be linked to staff training, while accountability should be defined and a 360-degree evaluation should be instituted. Eliminating the probationary period would encumber the Secretariat with staff members who did not perform as expected. It would also put unproven staff members on an equal footing with those who had proved their performance abilities. The probationary period should therefore be retained.

27. While he welcomed the new system of administration of justice, he objected to staff rule 11.2 (c) and (d), which invited delay in the administration of justice by allowing the Secretary-General to extend the deadline for the submission of a request for a management evaluation. He also objected to provisional staff rule 11.3 regarding suspension of action, as a staff member's request for suspension of

action should not be conditional on a management evaluation.

28. Provisional staff rule 8.1 (b) would weaken staff representation. He therefore requested the reinstatement of the exact language of the previous staff rule 108.1 (a).

29. Turning to the issue of continuing appointments, he said that the conditions for the proper consideration of eligibility for conversion to a continuing contract did not exist in the Secretariat. The proposed procedure for conversion from a fixed-term to a continuing appointment was laboured and confusing. The determination of continuing need for any function should not be left to the discretion of a joint body, but should be predetermined before the joint staff-management body reviewed staff members' eligibility for conversion. Furthermore, conversions to continuing appointments should be reviewed by empowered, revamped central review bodies. The new contractual arrangements should not be implemented until the Assembly had considered the Secretary-General's report on accountability requested in its resolution 63/276; a review of the current appraisal system; and proposals on the mobility policy.

30. Noting the Advisory Committee's recommendation that locally recruited mission staff should continue to be hired on contracts of a finite duration (A/64/518, para. 14), he urged the Assembly to grant severance pay to staff members who had served for at least five years.

31. The proposals before the Committee ignored the underlying causes of the distortions in human resources management, which emanated from the growing needs and complexity of field missions. The Office of Human Resources Management was mooting a mobility policy that would require staff members to serve in a field mission before becoming eligible for promotion to a post at the P-5 level or above and to make two geographical moves, including one to a category C, D or E duty station, before becoming eligible for promotion to a post at the D-1 level or above. Such a policy was not family-friendly and would be especially unattractive to female candidates, whose numbers remained small at senior levels. It would also be disingenuous to promise staff in field missions and other duty stations that a continuing appointment would give them a realistic chance of being employed in the Secretariat. It was perhaps time for the Assembly to consider the establishment of core posts for field operations.

32. **Mr. Elhag** (Sudan), speaking on behalf of the Group of 77 and China, said that the General Assembly must resolve all outstanding issues so that continuing contracts could be implemented as from 1 January 2010, as agreed in its resolution 63/250. Failure to complete human resources management reform would affect the delivery of United Nations mandates, which hinged on the quality of its staff and the availability of resources. On the whole, the Group supported the Secretary-General's proposals on continuing contracts, which would improve career prospects for staff, and [illegible]ed that establishing a ceiling on conversions was [illegible]sible. It regretted that the Advisory Committee had focused on the number of eligible staff rather than the criteria for granting continuing appointments. Such an approach was misleading and would not be helpful in the Assembly's discussions of the issue.

33. To ensure that the human resources management system functioned strategically, the mechanisms in place for fair and effective performance appraisals must be reviewed. Mobility should remain voluntary but should be encouraged by means such as financial incentives or promotion opportunities. The Assembly could also consider the granting of a continuing appointment as an incentive for mobility.

34. The apparent mistrust between management and staff was regrettable and could harm the Organization's image. It had therefore been gratifying to note that United Nations Staff Union representatives had participated in the consultations on the provisional Staff Rules.

35. Lastly, the Group reiterated that the Secretariat should intensify its efforts to ensure equitable geographical representation and gender balance, as mandated by the General Assembly. It sought clarification of why the national competitive recruitment examination would not be held in February 2010, in keeping with past practice.

36. **Mr. Råsbrant** (Sweden), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Armenia, the Republic of Moldova and Ukraine, said that the European Union had been a staunch supporter of

human resources management reform, with the goal of making the Organization's work more effective and efficient, implementing a modern human resources management system and ensuring an organizational culture that enabled staff to reach their full potential, thereby strengthening the international civil service.

37. The European Union would study the Secretary-General's proposals and the Advisory Committee's conclusions and recommendations carefully, bearing in mind that it was necessary for the United Nations to offer career appointments but also to have the ability to adjust its workforce as needs changed.

38. **Mr. McLay** (New Zealand), speaking also on behalf of Australia and Canada, said that the United Nations faced unprecedented challenges and therefore required a diverse, high-quality workforce with equal measures of expertise and flexibility. The three delegations were pleased with the new contractual framework, which had the potential to give the Organization a simpler, fairer and less burdensome staff-management system. He hoped that it would also lead to more systematic investment in staff development and greater staff mobility as well as a fresh approach to conditions of service in the field to meet the needs of an increasingly field-based Organization.

39. The new contractual system could not become fully functional until agreement was reached on the criteria and process for converting staff from fixed-term to continuing contracts. The three delegations would review the Secretary-General's proposals in the light of the objectives of contractual reform set out in General Assembly resolution 63/250. The key goal of the reform — integrating peacekeepers into the global Secretariat to provide for peacekeeping as an ongoing function — remained unchanged. The proposals should yield a judicious mix of staff on fixed-term and continuing contracts. He shared the Advisory Committee's concern about the potential for staffing rigidity at headquarters locations as a result of the final round of permanent appointments coupled with far slower integration of peacekeepers into a career stream. Conversion from fixed-term to continuing contracts should not become automatic but should be based on merit and the Organization's long-term needs. More information should be provided on the workforce planning assumptions that would be used to assess organizational needs and on how they would be applied in practice. He shared the Advisory Committee's view that a burdensome administrative process for conversions must be avoided. Lastly, the Secretariat should clarify how the proposals would help achieve the broader objective of developing an integrated and mobile global workforce.

40. **Ms. Gustava** (Mozambique) said that her delegation supported human resources management reform and appreciated the efforts being made to ensure equitable geographical representation. She noted with concern, nevertheless, that the number of underrepresented countries had risen from 9 in 2005 to 30 in 2009, while the number of overrepresented countries had increased from 20 to 22 in the same period. It was encouraging that the proportion of female staff in posts subject to geographical distribution was increasing, but it was unacceptable that women still represented only 33.6 per cent of Secretariat staff. She encouraged the Secretariat to continue taking all necessary measures to ensure the equitable representation of Member States — and particularly of inadequately represented developing countries — at all levels.

41. Her delegation also encouraged the Secretariat to continue its proactive steps to recruit and retain staff, including through human resources action plans and recruitment outreach initiatives. She commended those programme managers who had met the geographical, gender and other targets for their departments; those who consistently failed to do so should be held accountable.

42. To avoid future legal challenges, it was crucial for Member States to ensure that the rules promulgated by the Secretary-General to implement the new human resources management regime were consistent with General Assembly mandates and adhered to the letter and spirit of the Staff Regulations.

43. **Mr. Park** In-kook (Republic of Korea) said that the new contractual arrangements approved by General Assembly resolution 63/250 represented a significant step forward in the reform of human resources management. His delegation agreed with the Secretary-General and the Advisory Committee that continuing appointments should be awarded not automatically but only after rigorous review and that a central management system should be established to ensure that the conversion to the new arrangement was conducted with fairness and transparency. It also endorsed the Advisory Committee's opposition to the

establishment of a ceiling on the total number of staff with a long-term claim on the Organization. That issue and others could be addressed in the light of the Secretary-General's eventual evaluation of the new system of contracts. An effective performance appraisal system was essential to the implementation of the new contractual arrangements. His delegation welcomed the discussions on that subject in the Staff-Management Coordination Committee and looked forward to receiving the Secretary-General's forthcoming report on the current system.

44. The increase in the numbers of unrepresented and underrepresented States was a matter of concern, as was the continuing geographical imbalance in the representation of States. The Secretary-General must endeavour to comply with the General Assembly's request to reduce those numbers by 30 per cent of their 2006 levels by 2010. Since national competitive examinations were an effective tool for recruitment to Professional posts, especially from the unrepresented and underrepresented countries, his delegation welcomed the Secretary-General's proposal to award continuing appointments to such recruits after two years of satisfactory service and reiterated its call for rostered candidates to be placed quickly and for the examination cycle to be shortened.

45. **Mr. Kanamori** (Japan) said that the Secretary-General's proposals on continuing appointments were too ambiguous to serve as a basis for human resources management for several reasons. First, they lacked clear criteria for determining a continuing need for a staff member's services. Second, as the Advisory Committee pointed out in paragraph 20 of its report, (A/64/518), there was no information on which skills or functions would be needed on an ongoing basis. And third, the current very generous ratings given under the performance appraisal system were unlikely to prove an effective tool for deciding which staff members should be granted continuing appointments.

46. His delegation agreed with the Advisory Committee that it would probably be necessary to regulate the total number of staff with a long-term claim on the Organization. The introduction of continuing appointments without any limitation might impose a long-term financial burden, as well as creating a rigid structure which would prevent fresh talent from joining the Organization. The Office of Human Resources Management should offer the staff and the Member States a transparent explanation of how it proposed to operate a quantitatively managed system, in particular the order of priority of the criteria governing the award of continuing appointments. It was surprising that the Secretary-General's proposals did not address mobility requirements: in what was now a field-oriented United Nations several years of service away from Headquarters should be a condition for the award of continuing appointments. In view of the significant implications of the new system, his delegation reiterated its proposal for the establishment of a redesign panel to review human resources management.

47. His delegation was deeply concerned about the increasing numbers of unrepresented and underrepresented countries and urged the Secretary-General to address that long-standing issue more effectively. He should request, for example, that recommendations for appointments at the D-2 and higher levels should comprise at least three candidates, including at least one woman among them, and at least one person from an unrepresented or underrepresented country. Furthermore, the Management Performance Board should issue instructions to department heads to redress the geographical imbalance in the Secretariat, and all international Professional staff should be made subject to geographical distribution. The Secretary-General should include proposals to that end in his forthcoming review of the system of desirable ranges.

48. It was regrettable that the resumption of the national competitive examinations was being delayed. They should be retained as the main means of redressing geographical disparities in the representation of the Member States, and the next round of examinations should be held at an early date in 2010.

49. **Mr. Wong** Kang Jet (Singapore) said that professionalism and dedication were essential qualities of a strong international civil service. The Organization's increasing difficulties in implementing its mandated activities were due in part to its outmoded human resources management policies. General Assembly resolution 63/250 had paved the way for a system which was more transparent and easier to administer, but the reforms had to be comprehensive.

50. First, the Organization needed a robust performance management system. Strong incentives would engender a culture of excellence which would attract capable and dynamic individuals. It was

encouraging in that connection that the Staff-Management Coordination Committee was considering a 360-degree feedback mechanism, performance management training for supervisors and a new rating system, but a good system also required a genuine desire to make meaningful distinctions with regard to the staff's performance.

51. Second, it was not sufficient to identify talented individuals; the Organization must also be able to determine its long-term needs and pre-empt future problems, and career progression must be clearly charted and include development opportunities such as milestone training and appropriate postings.

52. Third, a truly international civil service must attract talented personnel from all parts of the world, yet the developing countries were underrepresented in the Secretariat at the senior levels and some departments remained fiefdoms of a few Member States. Equitable geographical representation was not an end in itself, but the diversity which it brought would enable the Organization to act locally while thinking globally.

53. It should always be borne in mind that reforms took time to implement and that human resources management would not be transformed overnight. That thought applied in particular to the implementation of continuing appointments.

54. **Mr. Ruiz Massieu** (Mexico) said that the Secretary-General's report on the implementation of continuing appointments (A/64/267) did not contain estimates of the number of staff members eligible for such appointments and was not clear as to the number of international staff in field missions who were so eligible. That vagueness, coupled with the fact the Secretary-General's proposals would restrict the recruitment of new staff on contracts of one year or longer, would hamper the implementation of General Assembly resolution 63/250, which sought an appropriate balance between fixed-term and continuing contracts. His delegation agreed with the Advisory Committee in that regard. The eligibility criteria for awarding continuing appointments were not objective enough and did not take account of performance or type of experience in the Organization. However, the first phase of the redesigned performance appraisal system would help to strengthen performance management. It would be imprudent to award any continuing appointments before the new system was operational; the impact of such appointments on staff mobility would also have to be taken into consideration.

55. National competitive examinations were an essential tool for recruiting personnel from the many underrepresented countries, including his own. It was regrettable that no information was available about the date or conditions of the next round of examinations. Lowering the age limit for taking the examinations might put many countries at a disadvantage, and extending the examinations to adequately represented countries would aggravate the existing situation.

56. The Director of the Ethics Office should not perform any operational functions. The report on the operational experience of the Senior Vendor Review Committee, which had been established for one year to review cases of vendors under investigation for unethical practices, should address the possibility of absorbing future activities within the existing arrangements. Lastly, any voluntary code of ethics should be based on input for ICSC.

57. **Mr. Rashkow** (United States of America) said that his Government recognized the critical contribution made by United Nations staff and attached great importance to human resources management.

58. The Secretary-General's report on the implementation of continuing appointments (A/64/267) provided a starting point for the consideration of the subject, but the United States delegation shared many of the concerns stated by the Advisory Committee, with regard in particular to the lack of credibility of the existing performance appraisal system and the failure to connect the determination of the continuing need to retain staff members to strategic workforce planning. Furthermore, the Secretary-General's proposals would not ensure programme continuity in core functions or allow the flexibility needed for an effective global Secretariat. A limit should be imposed on the number of conversions in order to ensure a judicious mix of career and fixed-term appointments. Above all, fixed-term staff members who met the conversion criteria should be regarded as eligible for rather than entitled to continuing contracts.

59. **Ms. He** Yi (China) said that her delegation welcomed the Secretariat's efforts to reform human resources management and wished to draw attention to four important considerations. First, the Secretariat should devise realistic measures to address the

concerns of the developing countries about their continuing underrepresentation and the overall imbalance in the composition of the Secretariat. Second, since the question of continuing appointments affected the core activities of the Organization and its proper functioning and development, decisions on the continuation and termination of all contracts must be taken cautiously in the light of serious analysis. Third, the new Staff Rules should fully reflect changes in the status of the staff and in the system of human resources management. Fourth, more United Nations bodies should take part in the work of the Ethics Office, which played an important role in improving ethical conduct, integrity and accountability in the Organization. A system-wide code of ethics would be welcome, but it must take full account of the values of the United Nations and the cultural diversity of its Members and be based on widespread consultation of all the parties involved.

60. **Mr. Prokhorov** (Russian Federation) said that human resources management was a key element of the United Nations reform. His delegation would continue to consider the Secretary-General's proposals primarily in terms of their capacity to enhance the effectiveness of personnel policy and their compatibility with the financial capacity of the Member States. The proposals called for very detailed analysis in the context of the Member States' vision of human resources management reform, as set out in General Assembly resolution 63/250 and earlier resolutions on the subject.

61. His delegation shared the Advisory Committee's concern about the absence of any estimates of the number of staff members, both at headquarters duty stations and in field missions, who might be eligible for continuing appointments. Since the contractual arrangements for field staff had already been improved considerably under resolution 63/250, there was no obvious need for such staff to be eligible for continuing appointments, especially as they were recruited on a temporary basis under the primary jurisdiction of the Security Council. In that regard the proposals amounted to a back-door reversion to the idea of a cadre of peacekeepers, on which there was no consensus.

62. Despite the evident advantages of job security and career development, the proposals ran counter to the concept of flexible and efficient personnel management that was responsive to the Organization's swiftly changing needs. Furthermore, increased use of continuing appointments would not enhance productivity indicators or encourage self-improvement on the part of the staff. Speaking of productivity, his delegation looked forward to receiving the findings of the staff-management intersessional working group on mechanisms to strengthen the performance management system. His delegation did not wish to exclude the possibility of regulating the total number of staff with a long-term claim on the Organization, but it was willing to consider, as an initial measure, adjusting the eligibility criteria in order to limit the eligible population.

63. He asked for clarification of the Advisory Committee's recommendation, in paragraph 60 of its report, that the Secretary-General should intensify his efforts to achieve the geographical distribution and gender balance targets set by the General Assembly, as the Charter provisions and General Assembly resolutions on geographical distribution were open to many interpretations. Precisely which distribution targets was the Advisory Committee referring to?

64. **Mr. Bui The Giang** (Viet Nam) said that in order to be effective the United Nations must have a workforce capable of responding to the world's increasingly complex challenges. At the sixty-third session of the General Assembly the Secretary-General had rightly described the staff as the Organization's most precious resource, but had emphasized the need for reform of the current system of contracts and conditions of service. The Vietnamese delegation could not agree more with those sentiments.

65. His delegation was heartened by the gender parity achieved at the P-1 to P-3 levels but remained concerned about the overall gender and geographical imbalances in the Secretariat. Although the developing countries constituted an overwhelming majority of the Organization's membership, their nationals held only about 40 per cent of posts at the D-1 level. It was time for the Secretary-General to deliver on his assurances that he would redress those imbalances.

66. His delegation concurred in principle with the Secretary-General's proposals on the provisional Staff Rules and noted in that connection that the Ethics Office had helped to identify policy gaps and harmonize ethical standards in the United Nations system. It was to be hoped that all United Nations entities would work in unison to apply the standards of ethics and integrity in a coherent manner and thus enhance synergies throughout the system.

Agenda item 131: Programme budget for the biennium 2008-2009 (*continued*)

Agenda item 132: Proposed programme budget for the biennium 2010-2011 (*continued*) (A/64/7/Add.6 and A/64/291; A/C.5/64/2)

67. **Mr. Sayour** (Chairman of the United Nations Joint Staff Pension Board), introducing the Board's report on the administrative expenses of the United Nations Joint Staff Pension Fund (A/64/291), said that the report covered only the Fund's programme budget for the biennium 2008-2009 and its proposed programme budget for 2010-2011. Other matters considered and decisions taken by the Board in 2009 would be reported to the Committee at the sixty-fifth session of the General Assembly.

68. The Fund's operations had continued to grow in scope and complexity. It currently had 23 member organizations and more than 172,000 active participants, retirees and other beneficiaries, representing an increase of 53 per cent in just 10 years. The report described the challenges posed by such growth. The market value of the Fund's assets had declined sharply in the year ended 31 December 2008. It had recovered somewhat by 31 October 2009 to stand at $36.2 billion. However, the annual real rate of return for the 20-year period ended 31 March 2009 had been 4.3 per cent, against a long-term target of 3.5 per cent after adjustment for inflation. The Fund did not need to sell any securities in the short term to balance its operations. As requested by the Advisory Committee and the Board's own Standing Committee, the Fund had begun to present its budget in the results-based format, with resources requested under each of the Fund's programmes. That linkage would be further improved and become standard practice.

69. The budget estimates for the biennium 2008-2009 were presented in the performance report in chapter II, which reflected a $25,003,900 reduction in appropriations due to reduced expenditure on administrative and investment costs, offset in part by an increase in Board expenses.

70. It should be remembered that the Fund's administrative costs included all the activities which had to be carried out on behalf of its active participants, retirees and other beneficiaries. The investment costs, which were charged fully against the Fund's investment income, related to the activities of the Investment Management Service. The audit costs related to both internal and external auditing of the administrative operations of the Fund's secretariat and to the operations of the Investment Management Service.

71. In keeping with past practice, the Board had established an in-session working group to examine the revised budget estimates for 2008-2009 and to make recommendations on the budget proposals for 2010-2011. On the basis of the working group's proposals the Board had agreed to recommend budget estimates for 2010-2011 totalling $179,131,200. It had been decided that the estimated amount relating to the Board's expenses should continue to be charged against the Fund's principal. The Board had also approved extrabudgetary costs of $162,600, to be funded by the member organizations, for the after-service health insurance system. Of the total amount approved for 2010-2011, $156.9 million would be apportioned to the Fund and $22.2 million to the United Nations under the cost-sharing agreement. For the secretariat, the budget reflected the priorities outlined in the third management charter of the Fund, approved by the Board in 2008.

72. The Board recommended the establishment of 14 new posts to be charged to administrative costs and the continuation of one extrabudgetary post to be funded by the member organizations, together with nine new posts for the Investment Management Service.

73. The bulk of the increase in requested funding under administrative costs related to the Fund's new enterprise resource planning project. In that connection, the Board's recommendation on the new Integrated Pension Administration System (IPAS), a project which it had approved in 2008, was contained in annex VII of the report and details of the project in annex XIII.

74. As in the past, the Board requested authorization to supplement contributions to the Emergency Fund for the biennium 2010-2011 by an amount not exceeding $200,000. Lastly, while the Advisory Committee had agreed to recommend approval of the Board's proposals (A/64/291, para. 133), the revised estimates to be approved for 2008-2009 amounted to $128,195,200, based on more up-to-date expenditure data.

75. **Ms. Van Buerle** (Director, Programme Planning and Budget Division), introducing the report of the Secretary-General on the administrative and financial

implications arising from the report of the United Nations Joint Staff Pension Board (A/C.5/64/2), said that the overall requirements amounting to $22,238,300 (at 2010-2011 rates) represented the United Nations share in the Fund's administrative and audit costs. The additional requirements arose mainly from staffing changes and increased requirements for other staff costs and other operational costs related to the additional posts.

76. Application of the revised distribution rate of 63.8 per cent produced a revised regular budget share of $14.2 million. An amount of $12.3 million had already been included under section 1, Overall policymaking, direction and coordination, of the proposed programme budget for 2010-2011. Accordingly, should the General Assembly endorse the Board's proposals as contained in its report, an additional requirement of $1.9 million, reflecting the difference between the previously budgeted amount and the revised requirements, would be required under section 1.

77. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/64/7/Add.6), said that the Advisory Committee had followed the movement of the market value of the Fund's assets during the economic crisis and noted that the Fund, like many other pension funds, had not been immune to the market's volatility. As of 31 December 2008 the market value of the Fund's assets had amounted to $31.3 billion, compared with $41.7 billion a year earlier, representing a decrease of approximately 25 per cent. However, the Advisory Committee had been informed that by 30 September 2009 the assets' value had increased to $36.5 billion.

78. The Advisory Committee had no objection to the Board's recommendations with regard to the proposed budget for the biennium 2010-2011. However, it noted in its report that it expected restraint in future budgets with regard to staffing requirements. There had been an increase of some 51.8 per cent in the number of posts, including temporary posts, over the four bienniums comprising the period 2004-2011.

79. Should the General Assembly approve the Board's proposal and recommendations, the overall requirements which would arise for the United Nations were estimated at $22.2 million (at 2010-2011 rates). Of the total requirement for the biennium, the cost to the regular budget would amount to $14.2 million and the balance of $8 million would be reimbursed to the United Nations by UNDP, UNFPA and UNICEF. As indicated in the proposed programme budget for the biennium 2010-2011, an amount of $11.8 million ($12.3 million at 2010-2011 rates) related to the regular budget share of the cost of the Fund's central secretariat, excluding reimbursements anticipated from UNDP, UNFPA and UNICEF. Accordingly, an additional appropriation of $1,865,500 would be required under section 1 of the proposed programme budget for the biennium 2010-2011. The provision would represent a charge against the contingency fund.

80. The Advisory Committee recommended that the General Assembly should approve the Board's recommendations as contained in paragraph 133 of its report (A/64/291) and the additional appropriation under the regular budget for the biennium 2010-2011 arising from the Board's recommendations, as mentioned in paragraph 11 of the Secretary-General's report (A/C.5/64/2).

81. **Mr. Elhag** (Sudan), speaking on behalf of the Group of 77 and China, said that the Group welcomed the substantial increase in the number of individuals covered by the United Nations Joint Staff Pension Fund over the previous 10 years. The Group also welcomed the admission of the Special Tribunal for Lebanon to the Fund and reiterated the need for equitable representation of the Fund's constituent organizations at all its meetings and sessions.

82. The actuarial surplus of 0.49 per cent as at 31 December 2007 and the compound annual rate of return were most satisfactory. He was concerned, however, by the 28.3-per-cent decrease in the market value of the Fund's assets as at 31 March 2009 compared to 2007 and underlined the criteria set out in General Assembly resolution 32/73, according to which investments should be safe, profitable, liquid and convertible.

83. The Fund should act on its commitment to broaden the geographical diversification of its investments by increasing investments in developing countries, which remained underrepresented in the Fund's portfolio. Investments in the developing world could provide balance and avoid the sort of setbacks that had been experienced during the financial and

economic crisis. He urged the Fund to increase such investments and report back to the Assembly.

84. The Group discouraged outsourcing of the investment management function and supported greater reliance on internal asset management. It concurred with the Advisory Committee's recommendation that the in-house investment management function should be monitored to ensure that the Fund's long-term objectives were met.

85. Noting that the budget proposals for the Fund would lead to a significant budget increase of 34.7 per cent, he requested further information on the impact of the proposed new posts on the Fund's overall function as well as the relationship between the projected costs, with the provisions for after-service health insurance, and the new enterprise resource planning system still under consideration by the Assembly. Any investment in human resources, non-post costs and information technology systems should be justified by specific efficiency gains.

Agenda item 154: Financing of the United Nations Observer Mission in Georgia (A/64/463, A/64/464 and A/64/529)

86. **Mr. Yamazaki** (Controller), introducing the performance report on the budget of the United Nations Observer Mission in Georgia (UNOMIG) for the period from 1 July 2008 to 30 June 2009 (A/64/463), said that the General Assembly, by its resolution 62/260, had approved a budget of $34.5 million for that period. Expenditures had amounted to $34 million, resulting in an unencumbered balance of $0.5 million, which represented a budget implementation rate of 98.5 per cent. The main factors contributing to the reduced utilization of resources had been higher actual vacancy rates for international staff and police, the deferment of work on roads and bridges as a result of the security situation and the non-acquisition of generators.

87. The Assembly was requested to reduce the appropriation for the Mission to $35,582,015; to assess the amount of $934,857, representing the difference between the amount already assessed for the maintenance of the Mission and the actual expenditure for the period from 1 July 2008 to 30 June 2009; to assess the amount of $66,658 for the support account for peacekeeping operations and the United Nations Logistics Base for the period from 16 to 30 June 2009; and to decide on the treatment of other income/adjustments amounting to $821,900 for the period ended 30 June 2009.

88. Turning to the report of the Secretary-General on the revised budget for UNOMIG for the period from 1 July 2009 to 30 June 2010 (A/64/464), he said that the proposed initial budget for the period amounted to $38,838,500. The General Assembly, by its resolution 63/293, had appropriated $15 million for the administrative liquidation of the Mission for the period from 1 July to 31 December 2009, had apportioned among Member States the amount of $10 million for that period and had requested the Secretary-General to submit the administrative liquidation budget to the General Assembly at the main part of its sixty-fourth session. Since the Mission's mandate had not been extended beyond 15 June 2009, the report contained the revised budget for the period from 1 July to 31 October 2009, which amounted to $10,946,000. That represented a decrease of 27 per cent in comparison to the initial appropriation, mainly owing to the phasing down of international staff during a shortened liquidation period ending 31 October 2009 and lower air transportation costs as a result of reduced flight hours.

89. The General Assembly was invited to reduce the appropriation for the administrative liquidation of the Mission to the amount of $10,946,000 for the period from 1 July to 31 October 2009 and, taking into account the amount of $10 million already assessed on Member States, to assess the additional amount of $946,000.

90. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/64/529), said that the Advisory Committee had been informed that expenditures for the UNOMIG had been $10,760,100 as at 30 September 2009 and that the final level of expenditures would be reported in the performance report for the period 2009/10. The Advisory Committee would comment on the Mission's liquidation in the context of the report on the final disposition of assets. It recommended acceptance of the proposals contained in both of the Secretary-General's reports (A/64/463 and A/64/464).

The meeting rose at 1.05 p.m.

United Nations A/C.5/64/SR.16

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Chairman: Mr. Maurer ..... (Switzerland)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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The meeting was called to order at 10.10 a.m.

Agenda item 131: Programme budget for the biennium 2008-2009 (*continued*)

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Information and communications technology (A/64/7/Add.9, A/64/95 and Add.1, A/64/96 and Add.1, A/64/355, A/64/380, A/64/477 and A/64/531)

Business continuity management (A/64/7/Add.8 and A/64/472)

1. **Ms. Kane** (Under-Secretary-General for Management), introducing the first progress report on the enterprise resource planning (ERP) project and revised estimates under section 28A, Office of the Under-Secretary-General for Management, of the proposed programme budget for 2010-2011, and under the peacekeeping support account (A/64/380), said that the General Assembly, in its resolution 63/262, had approved the amount of $20 million for the implementation of the ERP system and had requested the Secretary-General to submit an updated business case; an assessment of the organizational arrangements; options for a reduced ERP package at lower cost; and a revised implementation plan and updated budget. The report on Umoja (the name given to the ERP project) currently before the Assembly addressed those requests and advocated substantial change in the Organization's administrative and support services.

2. While several implementation options had been studied, a "pilot first" approach was recommended because it offered the lowest risk owing to its gradual rather than sudden operational impact. Umoja would be deployed to a group of pilot sites first and then to the rest of the Organization.

3. The resource requirements of $315.7 million included both project and start-up operational costs. It was estimated that $175.3 million would be required for 2010-2011, of which $24.1 million would be funded from the regular budget, while $114.1 million would be funded from the peacekeeping support account and $37.1 million from extrabudgetary resources, in line with the cost-sharing formula.

4. While there might be concern about the request for a budget increase in the current economic climate, the impact of not approving the resources for Umoja should also be kept in mind. Currently, 39,978 staff worked for the Organization, 23,158 of them in field operations. Missions and mandates had become more complex than had been anticipated a decade or two earlier, yet staff were still relying on fragmented systems and manual and paper-based processes. Legacy systems such as the Integrated Management Information System (IMIS) were so highly customized that it was difficult to integrate them into new open technologies and modern distributed architectures. The cost of maintaining, operating and upgrading the system was high, and there was a risk that it would be unable to meet the Organization's evolving business requirements. In view of the new system's potential to yield quantitative and qualitative benefits, Member States should take advantage of the opportunity to make the most efficient use of their resources. If they truly wanted integrated administrative and management reform and a multi-skilled and mobile staff, then Umoja was the vehicle that could manage that change.

5. The Secretary-General's second progress report on the adoption of International Public Sector Accounting Standards (IPSAS) (A/64/355) presented the proposals on IPSAS synchronized with those on the Umoja project and set out an adjusted implementation timetable. The High-level Committee on Management had approved continuation of the jointly financed system-wide IPSAS project for 2010-2011 to support a harmonized approach to IPSAS policy development and to realize economies in the total cost of implementation. The World Food Programme had produced its first set of IPSAS-compliant financial statements as at 31 December 2009. Ten United Nations system organizations had committed to implementing IPSAS by 2010, while most other organizations planned to implement the standards in 2011-2012.

6. Seven online training courses and materials for 11 instructor-led training courses had been developed for use across United Nations system organizations. A joint briefing on IPSAS was planned for the first quarter of 2010 for New York-based organizations and their governing bodies; similar briefings were also being held in other locations.

7. Since Organization-wide deployment of Umoja was projected for the third quarter of 2013, it was proposed that the first full set of IPSAS-compliant financial statements should be issued for the year

ending 31 December 2014. For peacekeeping operations, IPSAS-compliant financial statements would be provided for the year ending 30 June 2014.

8. Introducing the revised estimates relating to the proposed programme budget for the biennium 2010-2011 under sections 2, 17, 18, 20, 21, 27, 28C, 28D, 28E, 28F, 28G, 29 and 36 related to business continuity management (A/64/472), she said that it was imperative to strengthen business continuity management to ensure the continuity of critical operations in the face of risks such as pandemics, localized disasters, technological failures and military or terrorist incidents.

9. Since its establishment in 2007, the Business Continuity Management Unit had helped departments and offices to identify critical processes and staff as well as the vital records and information and communications technology (ICT) applications linked to those processes. Despite the efforts already undertaken, much more was required to implement business continuity management. Critical measures included developing mitigation strategies detailing how departments would continue their critical business processes in the event of disruption; consolidating departmental business continuity plans and reviewing the interdependencies between departments; conducting business impact analyses to objectively validate the prioritization of business processes; coordinating planning among United Nations organizations located in New York; providing technical assistance for business continuity planning at offices away from Headquarters, regional commissions and peacekeeping operations; and training critical staff and ensuring accountability at all duty stations by testing business continuity plans regularly.

10. Under the ad hoc budgetary arrangement of the previous two and a half years, the first steps had been taken to establish minimum capacity for business continuity management in the Organization. Resources and staff deployments had been strictly temporary. As a result, the process itself was fragile and could not be sustained under such an arrangement beyond 2009. The proposed resource requirements of $9.7 million would institutionalize business continuity management. Concrete guidance from Member States would help determine whether the Secretariat could proceed with business continuity management.

11. **Mr. Choi** Soon-hong (Chief Information Technology Officer), introducing the report on the enterprise content management and customer relationship management systems and proposal for a unified disaster recovery and business continuity plan (A/64/477), said that the recently established Office of Information and Communications Technology had begun implementing the ICT management framework, which provided the ICT governance structure and established an investment review process for major ICT projects. As suggested by the Assembly, the governance approach had been simplified and the roles of the bodies involved had been clarified. A Client Services Unit had been set up to achieve a better understanding of the Secretariat's needs and priorities, while a Project Management Office would centralize and coordinate the evaluation of ICT investments and projects. Two rounds of the "Fast-Forward Programme" — which involved implementing practical ICT solutions for the Secretariat within a 90-day period — had been completed and another round would soon be launched. A structural review that would streamline and consolidate the use of ICT resources across the Secretariat was well under way. In short, the Secretariat's ICT strategy was being implemented energetically, with a focus on tangible results.

12. The Umoja project was driven by business process demands and would be delivered through complex information technology systems. While the initial focus had been on work process improvements, the Office had assisted in selecting the ERP software and had completed an initial inventory of information systems. As the project proceeded, the Office would help ensure good technical planning and proactive engagement.

13. The Secretary-General's report (A/64/477) covered three other high-priority efforts: enterprise content management, which was part of the knowledge management programme; customer relationship management, which was part of the resource management programme; and disaster recovery and business continuity, which was part of the infrastructure management programme. Enterprise content management could revolutionize the way the United Nations conducted its substantive activities by improving its use of the vast amounts of information and knowledge that supported those activities. It would allow the Secretariat to create, manage, share, disseminate and preserve information and knowledge

efficiently, thereby making the Organization more responsive, agile and productive.

14. Customer relationship management — where "customer" referred to any person or entity that had a relationship with the Organization, including staff, Member States, other agencies, non-governmental organizations and vendors — would provide a common system for global management and provision of essential services. The Secretariat had taken an incremental approach by beginning with smaller-scale initiatives such as iNeed, a collaborative effort among the Department of Management, the Department of Field Support, the Office of Information and Communications Technology and some field missions to consolidate ICT and facilities services. The value of customer relationship management would increase exponentially as it was rolled out to more functional areas and duty stations.

15. Lastly, the report contained a proposal for disaster recovery and business continuity planning, which the Secretariat required for continuous global operations in case of a disaster or emergency. The Assembly had stressed the importance of a holistic approach to business continuity management. The Office had therefore worked closely with the Business Continuity Management Unit to ensure that proposals were coordinated, with no duplication or overlap.

16. The proposals contained in the report supported the Organization's strategic and operational goals. Mindful of the current global financial situation, the Office had selected the projects with highest priority and had scrutinized funding requirements to ensure that only the most important needs were included. If deployed together and given consistent support and investment, enterprise content management, customer relationship management and disaster recovery and business continuity planning would significantly improve the Organization's effectiveness and efficiency.

17. **The Chairman** drew attention to the reports of the Joint Inspection Unit on the review of management of Internet websites in the United Nations system organizations (A/64/95) and on the review of information and communications technology (ICT) hosting services in the United Nations system organizations (A/64/96) and the notes by the Secretary-General transmitting his comments and those of the United Nations System Chief Executives Board for Coordination on the respective reports (A/64/95/Add.1 and A/64/96/Add.1).

18. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's report on information and communications technology (A/64/7/Add.9), noted that it concerned the revised estimates relating to the proposed programme budget for 2010-2011 for ICT activities (A/64/477) and the first progress report on the enterprise resource planning project (A/64/380). The revised estimates related to enterprise content management, customer relationship management and a proposal for a unified disaster recovery and business continuity plan.

19. In the Advisory Committee's view, the Secretary-General should have provided preliminary estimates on the requirements for the implementation of enterprise content management and customer relationship management in the proposed programme budget for 2010-2011. The Secretary-General's report (A/64/477) responded to the Assembly's request for information on the benefits expected and the full costs of implementation — which had begun before a full proposal had been presented to the Assembly — as well as the measures necessary to complete and maintain the systems. The Advisory Committee recommended that the Assembly should request information on the overall costs, across all funding sources, of the proposed implementation of the enterprise systems over a five-year period, together with further analysis of the expected and actual efficiency and productivity gains.

20. The Secretary-General was proposing to provide the human resources required for the biennium 2010-2011 through general temporary assistance and contractual services, pending the conclusion of the structural review of ICT in the Secretariat. Taking the view that further efforts could be made to use existing capacity and expertise, the Advisory Committee recommended approval of 7 of the 11 positions proposed for enterprise content management and a reduction of $1 million in the $8.1 million proposed under contractual services. For customer relationship management, it recommended approval of four of the five additional general temporary assistance positions proposed and a reduction of $500,000 in the $2 million proposed for expert services.

21. The Secretary-General was to submit a unified disaster recovery and business continuity plan in the context of the proposed programme budget for 2012-2013. In the current report (A/64/477), he proposed a framework for protecting the Organization's data and set out a number of activities to be undertaken in 2010-2011. The Advisory Committee recommended approval of the resources requested for a study on the classification and prioritization of ICT systems, including a business impact analysis to be carried out by the Business Continuity Management Unit at 12 duty stations. In its report, the Advisory Committee emphasized the need to ensure that disaster recovery requirements were based on objective needs and that the most cost-effective solutions were fully explored. It also recommended approval of resources to upgrade the data centre infrastructure at the United Nations Logistics Base at Brindisi for site recovery and data protection. It was necessary to explore fully the possibilities for consolidating and using the most reliable and cost-effective solution for data storage, business continuity services and hosting of enterprise systems, as requested by the General Assembly in its resolution 63/262. The Advisory Committee trusted that the Secretary-General would report to the Assembly on the results of his review and justify the cost-effectiveness of the sites selected for hosting the enterprise data centres.

22. Concerning the first progress report on the enterprise resource planning project (A/64/380), the Advisory Committee noted that potential productivity and efficiency gains would range from $134 million to $224 million annually. As the Secretary-General indicated that those productivity gains did not suggest a net decrease in posts or savings in staff costs but rather a potential to redirect resources towards higher-priority tasks, a more systematic and detailed approach to harvesting efficiency gains was required and the Secretary-General should identify the administrative resources that could be released through enterprise resource planning. Since administrative functions constituted a significant share of the Organization's overall activity, administrative reform should lead to reduced administrative burdens and costs.

23. Workforce planning should determine the critical skills and competencies required to align the Organization's staffing structure with its programmatic goals and evolving needs, taking into account the impact that ERP would have on administrative activities, including the low-value activities that would become redundant and the high-value tasks that might require new skills.

24. The Advisory Committee's report contained extensive comments on the implementation and deployment strategy. Some of the key elements driving implementation costs were the range of functions to be covered, whether they were introduced simultaneously or in phases and the number of deployments for rolling out the new system to all locations. The timeline of the IPSAS implementation would have to be adjusted in line with the revised timetable for the deployment of ERP.

25. The core functions for the management of financial, human and physical resources should be integrated into the ERP system, as the provision of such core functions through different systems would generate additional costs and perpetuate the fragmentation and weaknesses of current systems. The Enterprise Resource Planning Steering Committee should review all systems providing core management functions and ensure that their implementation was closely coordinated with the ERP project team.

26. The Advisory Committee's report provided an update of the project status and utilization of the funds already provided. A more detailed timeline of the project should be provided in future progress reports, showing, for each of the project's four phases, the key activities, milestones and deliverables, as well as the dependencies between the major activities and the resources required for each key activity. A baseline should be established for the project at the outset and updated in future annual reports, so as to provide a clear picture of the plan, progress made, outstanding activities and utilization of resources.

27. The overall resource requirements, which had risen to some $315.8 million, represented an estimate, since the contracts for software and system integration services had not yet been concluded. The main areas in which costs had changed were start-up operational costs; strengthening of the ERP project team with an additional 36 positions; greater involvement of subject matter experts and temporary assistance to fill their positions while they were assigned to the project; and change management and training, which would shift from a train-the-trainer approach to instructor-led training. It was important to involve the Organization's most knowledgeable staff in the design and

implementation of the system and to develop in-house expertise and knowledge. Every effort should be made to ensure the cost-effectiveness of the training strategy and methods and to adjust requirements in the light of experience and lessons learned.

28. While the Advisory Committee recommended acceptance of the Secretary-General's proposals for ERP resource requirements for 2010-2011, it also stressed that the Secretary-General should make every effort to reduce the overall costs and to use resources prudently. Future reports should contain details of the efforts made to contain costs, the project expenditures incurred and justification for the utilization of resources. Enhancements to existing systems to be replaced by ERP should be kept to a minimum.

29. In its report on the adoption of International Public Sector Accounting Standards by the United Nations (A/64/531), the Advisory Committee recommended that the General Assembly should take note of the Secretary-General's second progress report on the matter (A/64/355).

30. In its report on business continuity management (A/64/7/Add.8), which related to the relevant report of the Secretary-General (A/64/472), the Advisory Committee noted that the Secretary-General's proposed programme budget for the biennium 2010-2011 had not included a provision for the requirements related to business continuity management. In its view, preliminary estimates for those requirements should have been provided, as previously requested by the General Assembly.

31. The Advisory Committee recognized the importance of a planning capacity in the Organization to address business continuity issues. There was a need to raise awareness among all those concerned regarding their responsibility for business continuity management. Some operational capacity had been attained and progress had been achieved, but important tasks remained, as reflected in the programme of work for the upcoming biennium. Close coordination of business continuity policies among all United Nations entities was necessary: they must share and apply lessons learned and best practices and ensure a systematic approach encompassing both peacekeeping and humanitarian operations in the field. Coordination of all actors involved and cooperation with host country authorities at all duty stations would also be important for ensuring the effectiveness of business continuity.

32. Considering that some of the proposed functions could be provided through redeployment or the use of existing tools, the Advisory Committee recommended acceptance of 8 posts, on a temporary basis for the biennium 2010-2011, out of the 17 posts requested. Business continuity capacity should be evaluated at the end of that period and a progress report should be submitted showing what had been achieved and how tasks and operations had been incorporated into existing organizational structures.

33. Some of the posts requested for the Medical Services Division were related to reform and reorientation of the Division's work programme rather than to business continuity management. Taking the view that such reorientation should be presented and justified in the context of the Secretary-General's proposed programme budget, the Advisory Committee recommended acceptance of one of the five posts proposed.

34. A large share of the proposed non-post resources related to the development of telecommuting capabilities and remote access for staff and the acquisition of medical and other supplies for use by critical staff during a pandemic or other crisis. While telecommuting was one of the key mitigation strategies for ensuring continuity of the Organization's critical functions, some of the services proposed were already part of the capacity and ongoing responsibilities of the Office of Information and Communications Technology. The same could be said of the provision for miscellaneous services proposed under general operating expenses for the Office of Central Support Services. The Advisory Committee therefore recommended reductions of $500,000 and $163,500 in the related resources proposed under contractual services and general operating expenses, respectively.

35. **Mr. Elhag** (Sudan), speaking on behalf of the Group of 77 and China, said that the Group would request the Secretariat to clarify certain issues during the informal consultations.

36. **Mr. Råsbrant** (Sweden), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Armenia, the

Republic of Moldova and Ukraine, said that the European Union would consider carefully the Secretary-General's request for significant resources for the ERP project from the regular budget and the support account, given the need to contain costs. It agreed with the Advisory Committee on the need for a more systematic and detailed approach to harvesting efficiency gains from the project. In that connection, the project's quantitative and qualitative benefits should be clearly identified. It urged the Secretariat to continue to keep customization of the system to a minimum and to ensure that investment in other information systems, such as the new talent management system, were fully compatible with the ERP system.

37. **Ms. White** (Australia), speaking also on behalf of Canada and New Zealand, said that the Organization must achieve a global, coherent, rational and harmonized approach to ICT, addressing the fragmentation of existing systems, programmes and services; recognizing the importance of end-users, particularly those in the field; and also emphasizing accountability and oversight.

38. Recalling that the Committee had approved the introduction of an ERP system in 2006, she said that, as the current proposals were accompanied by substantial funding requirements, the three delegations would judge whether they were reasonable and appropriate, making sure that audit trails, markers of progress and justification for resources were present.

39. While the proposed business continuity management initiatives were necessary, the delegations shared the Advisory Committee's disappointment at the failure to include preliminary estimates for them in the proposed programme budget for the biennium 2010-2011. They also favoured establishing the business continuity unit not in the Office of Central Support Services, but in the Department of Management itself. They hoped that the Secretariat would continue to pursue efficiency and productivity gains and cost savings in connection with the secondary data centre associated with the capital master plan.

40. **Mr. Shin** Boo-nam (Republic of Korea) said that timely investment in ICT would improve efficiency, effectiveness, accountability and credibility throughout the United Nations system. In view of the lessons learned from successful e-government initiatives in the Republic of Korea, he believed that the new ICT strategy should be accompanied by strong leadership and support on the part of managers and the active involvement of all stakeholders in every stage of system development.

41. Investment in ICT would not address all of the Organization's administrative, programming and peacekeeping support issues or meet all the needs of the Member States. Taking the view that business process re-engineering and a structural change in the working and thinking process of the staff were also required, he hoped that the Secretariat would report regularly to the Member States on progress in both ICT and business process re-engineering.

42. While the report of the Secretary-General (A/64/380) provided information on ERP benefits and resource requirements, it did not give a full picture. The Secretariat should indicate the entire life cycle cost of ERP, including not only the initial project cost and operating cost, but also all operating and potential upgrade costs incurred after full deployment of the system. The Secretariat should also seek more concrete efficiency gains, such as staffing reductions and cost savings, that could be reflected in budgets for future bienniums. In the current economic downturn, additional resource requirements for ERP could be justified only if the benefits, adjusted by an appropriate discount rate, exceeded the project's life cycle costs.

43. **Mr. Rashkow** (United States of America) said that any organization with the worldwide reach of the United Nations must have an effective and dependable information management system. However, despite past investment in new technology platforms and software upgrades, the current system was fragmented and reactive and often failed to deliver the promised benefits. The proposed four-year ERP project was costly and required strong leadership to ensure completion on time and within budget. His delegation concurred with the Advisory Committee's view that the ERP initiative should be approved on the basis of a "pilot first" approach whereby the system would be deployed initially to pilot sites, and then to the rest of the Organization, as cost-effectively as possible.

44. **Mr. Okochi** (Japan) said that, as the Advisory Committee had recommended, the ERP project's potential productivity and efficiency gains and operating cost should be analysed in more detail. While the revised budget estimates for the ERP project included start-up operating costs, the previous budget

estimates had not, pointing to a lack of coordination among the relevant departments and offices or less-than-rigorous project planning and management. When the Secretariat requested additional resources, as in the current case, the costs concerned should be considered part of the overall cost of the project to be approved by the General Assembly.

45. Without the active support of senior management and all staff, the ERP project risked being a waste of money. In addition, if the project did not have genuine budgetary benefits, that large investment in it would be difficult to justify. Accordingly, the Secretary-General should report periodically on the specific costs and posts against which savings were achieved, so that the General Assembly could make informed decisions about the use of the resources so released.

46. **Mr. Gübler** (Switzerland), speaking also on behalf of Liechtenstein, said that, because of the considerable investment involved in ICT projects, strict budgetary discipline was required. However, those projects should not be delayed. Reducing ICT investment in 2010-2011 would lead to higher costs at a later stage and would delay realization of the projects' benefits. Postponing the introduction of the ERP system would mean spending more on maintaining and even upgrading outdated and incompatible systems that were destined for replacement in any case. It should also be remembered that the ERP system was a precondition for improvements in procurement, results-based budgeting, cost accounting, business continuity and disaster recovery, and the introduction of IPSAS. During the informal consultations, the two delegations wished to receive further details of the implementation timetable, business process re-engineering and potential cost savings.

Economic and Social Council, Human Rights Council and United Nations Institute for Disarmament Research (A/63/853; A/64/7/Add.1, Add.3 and Add.7, A/64/270, A/64/344, A/64/353 and A/64/511)

47. **Ms. Van Buerle** (Director, Programme Planning and Budget Division), introducing the note by the Secretary-General transmitting a request for a subvention to the United Nations Institute for Disarmament Research (A/64/270), said that the General Assembly was invited to approve a subvention to the Institute of $558,200 (before recosting) from the regular budget for the biennium 2010-2011, provision for which had been included under section 4, Disarmament, of the proposed programme budget for the biennium.

48. Introducing the report of the Secretary-General on revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council at its substantive session of 2009 (A/64/344), she said that the related additional requirements of $19,100 for conference servicing under the programme budget for the biennium 2008-2009 would be absorbed under section 2, General Assembly and Economic and Social Council affairs and conference management, of the programme budget for that biennium. For the biennium 2010-2011, it was proposed that additional requirements totalling $167,800 for conference servicing and travel should be met from within section 2, General Assembly and Economic and Social Council affairs and conference management; section 9, Economic and social affairs; and section 16, International drug control, crime and terrorism prevention and criminal justice, of the proposed programme budget for the biennium 2010-2011. Accordingly, as no additional appropriations were sought over and above the level of funding approved in the programme budget for the biennium 2008-2009 or proposed for the programme budget for the biennium 2010-2011, the General Assembly was invited to take note of the report and approve the modifications to the proposed programme of work described therein.

49. Introducing the report of the Secretary-General on revised estimates resulting from resolutions and decisions adopted by the Human Rights Council at its tenth and eleventh sessions (A/64/353), she said that it was the first report to be presented in accordance with the Advisory Committee's recommendation, which had subsequently been endorsed by the General Assembly in its resolution 63/263, that such revised estimates should be submitted annually.

50. The requirements resulting from resolutions and decisions adopted at the Human Rights Council's twelfth session, held in September/October 2009, would be presented in the next annual report so that the General Assembly would have adequate time to consider them. In connection with the revised estimates resulting from resolution S-9/1 adopted at the Human Rights Council's ninth special session (A/63/853), the Secretary-General maintained the view expressed in the proposed programme budget (A/64/6, para. 23.15)

that further experience was required before a comprehensive review of the additional resources associated with mandates arising from special missions authorized by the Human Rights Council could be undertaken and a proposal made in that regard.

51. The revised estimates of $1,884,500 for the biennium 2008-2009 were considered additional requirements that would be met from within the resources already appropriated and reported on in the context of the second performance report for the 2008-2009 programme budget, which the Committee would shortly be considering. Of the total revised estimate of $3,659,000 for the biennium 2010-2011, $824,700 was included in the proposed programme budget as relating to activities of a perennial nature and the remaining $2,834,300 would be met, to the extent possible, from within the requirements already proposed for the biennium. The General Assembly was invited to take note of those arrangements.

52. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related reports of the Advisory Committee (A/64/7/Add.1, Add.3 and Add.7), said that the Advisory Committee recommended that the General Assembly should approve the request for a subvention for the United Nations Institute for Disarmament Research, for which provision had already been made in the proposed programme budget for the biennium 2010-2011. It had no objection to the course of action proposed by the Secretary-General in relation to the revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council at its substantive session of 2009. As to the revised estimates resulting from resolutions and decisions adopted by the Human Rights Council, the Advisory Committee recommended that the additional requirements relating to the implementation of resolution S-9/1 should be accommodated from within the resources appropriated under the programme budget for 2008-2009. With respect to the resolutions and decisions adopted at the tenth and eleventh sessions, the Advisory Committee noted that no additional appropriations would be required and therefore recommended that the General Assembly should take note of the revised estimates relating to those sessions (A/64/353).

53. **Ms. Ahlenius** (Under-Secretary-General for Internal Oversight Services) said that the audit of conference services put at the disposal of the Human Rights Council in 2009, undertaken in response to General Assembly resolution 63/284 and presented in the report of the Office of Internal Oversight Services (OIOS) on that subject (A/64/511), had concluded that insufficient resources had been made available to the Division of Conference Management of the United Nations Office at Geneva. The Division had been unable to provide services to the Human Rights Council while maintaining its existing services for other clients in Geneva.

54. While the Human Rights Council was authorized to request conference services on an "as required" basis, existing resource allocation mechanisms were unable to cope with those demands. OIOS recommended a review to determine what level of permanent capacity the Division of Conference Management needed in order to maintain flexibility in dealing with fluctuations in the volume and timing of document processing. Moreover, coordination and collaboration between the Division and the Office of the United Nations High Commissioner for Human Rights (OHCHR) should be improved through the designation of focal points and the conduct of regular meetings and outreach activities. OHCHR agreed with the OIOS recommendation that, in order to ensure timely processing of its documents, it should submit them to the Division of Conference Management in accordance with the 10-week rule.

55. **Mr. Elhag** (Sudan), speaking on behalf of the Group of 77 and China, said that his Group supported approval of the full amount of the subvention to the United Nations Institute for Disarmament Research. The necessary resources should be allocated to implement all resolutions and decisions of intergovernmental United Nations organs that dealt with development, including the Economic and Social Council. In that connection, the role of the Committee for Programme and Coordination in reviewing programmatic changes to the budget should be emphasized. The Group was concerned at the OIOS findings regarding conference services for the Human Rights Council in 2009. The Secretary-General should monitor closely the financial situation of the Human Rights Council and alert the General Assembly, whenever required, to the Council's resource needs in connection with its mandated activities, particularly the universal periodic review.

Agenda item 154: Financing of the United Nations Observer Mission in Georgia (*continued*)
(A/C.5/64/L.5)

Draft resolution A/C.5/64/L.5: Financing of the United Nations Observer Mission in Georgia

56. *Draft resolution A/C.5/64/L.5 was adopted.*

The meeting rose at 11.50 a.m.

United Nations A/C.5/64/SR.17

General Assembly
Sixty-fourth session

Official Records

Distr.: General
8 February 2010

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Fifth Committee

Summary record of the 17th meeting
Held at Headquarters, New York, on Thursday, 3 December 2009, at 10 a.m.

Chairman: Mr. Maurer ..... (Switzerland)
Vice-Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kelapile

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Agenda item 132: Proposed programme budget for the biennium 2010-2011 (*continued*)

Capital master plan (*continued*)

Agenda item 140: Report on the activities of the Office of Internal Oversight Services (*continued*)

Agenda item 163: Financing of the activities arising from Security Council resolution 1863 (2009) (*continued*)

Agenda item 137: Human resources management (*continued*)

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09-63033 (E)

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The meeting was called to order at 10.15 a.m.

Agenda item 132: Proposed programme budget for the biennium 2010-2011 (*continued*)

International Trade Centre UNCTAD/WTO
(A/64/6 (Sect. 13)/Add.1 and A/64/7/Add.10)

1. **Mr. Yamazaki** (Controller), introducing an addendum to section 13, International Trade Centre UNCTAD/WTO (ITC), of the proposed programme budget for the biennium 2010-2011 (A/64/6 (Sect. 13)/Add.1), said that the Centre, a joint body of the United Nations and the World Trade Organization (WTO), which shared equally in funding its regular budget, was mandated to provide technical assistance to facilitate the integration of developing countries and countries with economies in transition, and in particular the least developed countries, into the multilateral trading system through export promotion and international business development. The Centre's programme of work would continue to be reviewed annually by the Joint Advisory Group, its main intergovernmental policy forum, which was open to members of the United Nations Conference on Trade and Development (UNCTAD) and WTO. The WTO General Council and the UNCTAD Trade and Development Board reviewed the report and recommendations of the Joint Advisory Group annually.

2. ITC had recently completed a change management process based on the findings of a comprehensive external evaluation and aimed at increasing overall impact, implementing results-based management and better communicating the Centre's best practices. The proposed resource level for ITC for the biennium 2010-2011 was based on the strategic framework approved by the General Assembly. The Centre's activities in the coming biennium would focus on five main business lines: export strategy; business and trade policy; trade support institutions; trade intelligence; and exporter competitiveness.

3. The proposed overall level of resources for ITC for the biennium 2010-2011 was 72,089,000 Swiss francs for post and non-post requirements. The proposed United Nations share amounted to $30,037,083, a decrease of 2.7 per cent compared to the revised appropriation for 2008-2009. Extrabudgetary resources for 2010-2011 were estimated at 90,600,000 Swiss francs, given that financial resources for trade-related technical assistance had increased exponentially and the Centre had been identified by donors as an important recipient of such assistance. ITC was also negotiating with donors for the funding of large-scale integrated programmes, particularly in Africa. The Centre's proposed staffing comprised 166 posts funded by the regular budget and 20 posts funded by extrabudgetary resources.

4. **Mr. Kelapile** (Vice-Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/64/7/Add.10), said that the estimated resource requirements for ITC for the biennium 2010-2011 amounted to 72.1 million Swiss francs before recosting, representing a net increase of 5.8 per cent compared with the appropriation for 2008-2009, owing primarily to the proposed establishment of 12 additional posts. Miscellaneous income for 2010-2011 was projected to be 700,000 Swiss francs, the same level as in the current biennium. The budget would be funded equally by the United Nations, acting through UNCTAD, and WTO: the contribution of each parent organization was estimated at 37.6 million Swiss francs after recosting, or $31.3 million.

5. With respect to the proposed post requirements, the Advisory Committee noted that, following an internal assessment, the number of new posts requested for ITC had decreased from 19 to 12. It had been informed that those 12 posts were technically specific and were geared towards priority areas. The Advisory Committee recommended that 8 of the 12 posts should be established and that a further two posts should be funded through general temporary assistance as their functions might not be required on a continuing basis. It also recommended acceptance of the proposed abolition of two General Service posts and found the request for non-post resources acceptable, bearing in mind that it would have to be adjusted in light of the recommendations on posts.

6. The Advisory Committee's report also contained comments on other issues, including the outcome of the change management process, work still to be done on results-based budgeting and coordination among the Centre, UNCTAD and WTO.

7. Subject to the recommendations set out in its report, the Advisory Committee recommended approval of the Secretary-General's proposals.

8. **Mr. Elhag** (Sudan), speaking on behalf of the Group of 77 and China, said that the Group strongly supported the work of ITC, since trade was a major contributor to development. ITC provided much-needed technical cooperation to increase the trade and export potential of small and medium-sized businesses in developing countries; that, in turn, had a positive impact on poverty reduction and employment and contributed to the achievement of the Millennium Development Goals.

9. Additional investments in trade-related capacity-building were more urgent than ever to help developing countries weather the financial and economic crisis, which had led to a decline in exports from those countries. ITC should make further efforts to support the least developed countries, landlocked developing countries and small island developing States, as well as African countries.

10. The current proposals represented a timely attempt to bridge the gap left when the Secretary-General, in his report on strengthening the development pillar of the United Nations (A/62/708), had refrained from proposing an increase in the Centre's capacity. In that connection, the Group would seek clarification in informal consultations as to why the original estimate of 19 posts had been reduced to 12 and whether the level of posts in the Office of the Executive Director was commensurate with the responsibilities of that Office.

Construction, alteration, improvement and major maintenance and Office of Central Support Services (A/64/6 (Sect. 28D)/Add.1, A/64/6 (Sect. 33)/Add.1 and A/64/7/Add.11)

11. **Mr. Yamazaki** (Controller), introducing two addenda to the proposed programme budget for the biennium 2010-2011, said that the first, on the management of United Nations overseas properties (A/64/6 (Sect. 28D)/Add.1), responded to General Assembly resolution 63/263 by defining the current and future proposed interaction between the Secretariat in New York and other duty stations for construction and long-term renovation projects, including the division of roles, responsibility and accountability. The Secretary-General proposed to enhance the role of the Office of Central Support Services in coordinating and providing support to overseas duty stations or offices away from Headquarters in all areas of facilities management, in collaboration with each office's Executive Secretary or Director-General.

12. With respect to a plan for regular preventive maintenance of the Organization's properties, as called for by the Advisory Committee (A/64/7), a strategic capital review of facilities at all offices away from Headquarters was proposed. It would address the concerns related to global facilities management and would establish an Organization-wide perspective on needs and priorities in the development of new facilities and major maintenance of existing facilities, thus helping to ensure adequate support for the relevant duty stations. To that end, the Office of Central Support Services had already launched the initial phase of the review.

13. The second addendum, on a strategic heritage plan at the United Nations Office at Geneva (A/64/6 (Sect. 33)/Add.1), provided additional information on the proposed conceptual engineering study at the Office to develop a long-term preservation programme for the Palais des Nations. The largest United Nations-owned building complex after Headquarters, the Palais des Nations was in need of considerable renovation and repair. In 2009, an engineering consultant had provided a preliminary outline of the building's current status and facilities-related issues. The current addendum outlined the proposed next steps in developing the plan. The projected resource requirements for the conceptual engineering study in the biennium 2010-2011 had already been included in the relevant fascicle of the proposed programme budget (A/64/6 (Sect. 33)).

14. **Mr. Kelapile** (Vice-Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/64/7/Add.11), said that, in its first report on the proposed programme budget (A/64/7), the Advisory Committee had recommended approval of the resources requested to enhance the role of the Office of Central Support Services in coordinating and providing facilities management support to overseas duty stations or offices away from Headquarters. It had also indicated that the arrangements for planning, managing and monitoring projects for the development of new facilities and major maintenance, as well as the procedures for approval of such projects, should be reviewed in order to clarify the roles and responsibilities of all involved. The measures set out in the addendum (A/64/6 (Sect. 28D)/Add.1) were a step in the right direction

but did not go far enough. The Office of Central Support Services should have a stronger role and responsibility should be clearly assigned for the Organization-wide prioritization of needs in order to ensure an adequate overview and a long-term perspective.

15. Turning to section 33 of the proposed programme budget, he said that the Advisory Committee recommended approval of the $1.1 million proposed by the Secretary-General in his initial estimate for phase two of the plan for renovating the Palais des Nations, which would consist of an engineering study to develop a project plan. The addendum provided additional details that had come to light following the completion of phase one in August 2009.

16. The Advisory Committee recommended that the General Assembly should take note of the reports contained in the addenda and approve the related resources under the relevant sections of the proposed programme budget. It was concerned, however, about the precedent created by the issuance of addenda to the initial budget proposal to further justify resource requirements. The initial budget submission should form the basis for decision-making except in extraordinary circumstances.

Agenda item 131: Programme budget for the biennium 2008-2009 (*continued*)

Agenda item 132: Proposed programme budget for the biennium 2010-2011 (*continued*)

Capital master plan (*continued*) (A/C.5/64/L.7)

Draft resolution A/C.5/64/L.7: Capital master plan

17. *Draft resolution A/C.5/64/L.7 was adopted.*

Agenda item 140: Report on the activities of the Office of Internal Oversight Services (*continued*) (A/C.5/64/L.6)

Draft resolution A/C.5/64/L.6: Report of the Office of Internal Oversight Services on its activities

18. *Draft resolution A/C.5/64/L.6 was adopted.*

Agenda item 163: Financing of the activities arising from Security Council resolution 1863 (2009) (*continued*) (A/C.5/64/L.8)

Draft resolution A/C.5/64/L.8: Financing of the activities arising from Security Council resolution 1863 (2009)

19. *Draft resolution A/C.5/64/L.8 was adopted.*

Agenda item 137: Human resources management (*continued*) (A/C.5/64/L.9)

Draft decision A/C.5/64/L.9: Provisional Staff Rules

20. **Ms. Pollard** (Assistant Secretary-General for Human Resources Management) said that the Secretary-General's proposals on the implementation of continuing appointments (A/64/267) had been made pursuant to the General Assembly's request in its resolution 63/250. The Office of Human Resources Management had, however, been unable to answer all of the questions regarding continuing appointments that had been raised by the Fifth Committee during its deliberations and by the Advisory Committee in its report (A/64/518). The Secretariat therefore wished to revise its approach and propose a new model. The Assembly would be briefed at the first part of the resumed sixty-fourth session in March 2010 and the new proposal would be submitted to it at the main part of its sixty-fifth session.

21. *Draft decision A/C.5/64/L.9 was adopted.*

22. **Mr. Råsbrant** (Sweden), speaking on behalf of the European Union; the candidate countries Croatia and the former Yugoslav Republic of Macedonia; the stabilization and association process countries Albania, Bosnia and Herzegovina and Montenegro; and, in addition, Armenia and Ukraine, said that completing the reform of the contractual regime adopted by the General Assembly at its sixty-third session was extremely important. During the informal consultations, the European Union had sought clarifications and supplementary information that were essential for taking a well-informed decision. He was disappointed that the Secretariat had not been in a position to provide those supplementary elements and that the Assembly was consequently unable to take a decision at the current session. However, he appreciated the Assistant Secretary-General's frankness in the matter. Given the crucial nature of the agenda item, he hoped that the revised proposal and related

reports would be introduced early in the sixty-fifth session.

23. **Mr. Elhag** (Sudan), speaking on behalf of the Group of 77 and China, said he was surprised that the Secretariat had been unable to answer questions raised by Member States, given that it had had nearly a year to prepare for the adoption of the final stage of the new contractual framework. Ensuring the staff's well-being was of the utmost importance to the Group; it was therefore concerned about the decision to postpone consideration of the implementation of continuing appointments. He hoped that immediate notification of the staff would help dispel any misunderstanding about the current situation and that the staff would be involved in the Secretariat's further work on the issue so that human resources management reform could be completed at the earliest opportunity.

The meeting rose at 11.15 a.m.

United Nations A/C.5/64/SR.18

General Assembly
Sixty-fourth session

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Fifth Committee

Summary record of the 18th meeting
Held at Headquarters, New York, on Monday, 7 December 2009, at 10 a.m.

Chairman: Mr. Maurer ..... (Switzerland)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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Agenda item 132: Proposed programme budget for the biennium 2010-2011

Construction of additional office facilities at the Economic Commission for Africa in Addis Ababa and the United Nations Office at Nairobi

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09-63613 (E)

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The meeting was called to order at 10.10 a.m.

Agenda item 132: Proposed programme budget for the biennium 2010-2011

Construction of additional office facilities at the Economic Commission for Africa in Addis Ababa and the United Nations Office at Nairobi (A/64/7/Add.12 and A/64/486)

1. **Ms. Van Buerle** (Director, Programme Planning and Budget Division), recalling the concerns expressed by the General Assembly in its resolution 63/263 in connection with the construction projects at the United Nations Office at Nairobi and the Economic Commission for Africa, said that the Department of Management had conducted a review of the two projects in February 2009. The report of the Secretary-General (A/64/486) contained the outcome of that review and a final update on the completed modernization work at the United Nations Offices at Nairobi and Vienna.

2. The construction work in Nairobi had benefited from increased guidance and coordination from United Nations Headquarters, a reinforced local project management team and the establishment of a senior-level management working group reporting to the Director-General of the Office. The conference facilities modernization project had been completed in January 2009, on time and within budget, and the building of new office facilities should be finished at the end of 2010.

3. The local project management team at the Economic Commission for Africa was being strengthened and would henceforth report to the Director of the Commission's Division of Administration. A senior-level management working group was also being established. The recent completion of the boundary wall at the site would ensure security prior to construction. Following the halting of the initial bidding process for the construction of additional office facilities, as a result of the March 2009 Procurement Task Force report, new value-engineered construction documents and a request for proposals had been issued in September 2009. Technical evaluation of the four bids received were under way. A selection recommendation would be made in December 2009 and it was planned to award the contract in February 2010.

4. In 2009, the conference facilities projects at the United Nations Offices at Nairobi and Vienna had been completed on time and within budget. Progress had been made on the construction of additional office facilities at the United Nations Office at Nairobi and the Economic Commission for Africa. The proposals regarding the role of Headquarters in providing guidance in connection with overseas properties, detailed in document A/64/6 (Sect. 28D)/Add.1 and introduced at the Committee's 17th meeting, would further help to promote completion of the projects in progress in Nairobi and Addis Ababa.

5. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/64/7/Add.12), said that the arrangements put in place following the management review of the construction project at the Economic Commission for Africa should result in completion on schedule and that the progress made towards full completion in 2011 of the construction project at the United Nations Office at Nairobi was positive. The Advisory Committee believed that lessons learned during the implementation of the capital master plan should be applied to both construction projects, and recommended that the General Assembly should take note of the report of the Secretary-General on those projects.

6. **Mr. Yousif** (Sudan), speaking on behalf of the Group of 77 and China, said that his Group had previously expressed its concern at the delays, insufficient coordination and guidance from Headquarters and poor management of the construction projects at the Economic Commission for Africa and the United Nations Office at Nairobi. Lack of internal controls and proper accountability had exposed the Organization to significant potential risk. The management reviews undertaken were an acknowledgment of those risks.

7. The Group welcomed the completion of the conference facility projects at the United Nations Offices at Nairobi and Vienna. It trusted that the remaining difficulties with the project at the Economic Commission for Africa, including duty- and tax-free status and the building of an alternative access road, would be resolved rapidly, and that the remaining work at the United Nations Office at Nairobi would be completed on time. It acknowledged the contributions

of the Governments of Austria, Ethiopia and Kenya to ensuring the success of the projects.

8. **Mr. Tessema** (Ethiopia) said that Ethiopia's rapid economic growth had led to customs and taxation reforms including, from 2008, a 15 per cent rate of value added tax on certain works and on imported and locally purchased materials, which would potentially affect the construction project at the Economic Commission for Africa. The issue had been successfully resolved by introducing a voucher system for the purchase of goods and services free of value added tax. The local authorities had endeavoured to work with the Economic Commission for Africa regarding the construction of an alternative access road and the relocation of utilities. Only the matter of telephone line installation remained to be resolved.

9. His delegation was concerned at the delays to the construction tender process caused by the bids received exceeding the available budget, which had not been revised since 2005. It wished to point out that rapidly changing macroeconomic conditions had obliged bidders to incorporate adjustments into their bids in advance, and hoped that that factor would be accommodated when reviewing the status of the project.

The meeting rose at 10.30 a.m.

United Nations A/C.5/64/SR.19

General Assembly
Sixty-fourth session

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Fifth Committee

Summary record of the 19th meeting
Held at Headquarters, New York, on Thursday, 10 December 2009, at 10 a.m.

Chairman: Ms. Wairatpanij (Vice-Chairman) ..... (Thailand)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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Agenda item 143: Financing of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994

Agenda item 144: Financing of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991

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09-64247 (E)

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In the absence of Mr. Maurer (Switzerland), Ms. Wairatpanij (Thailand), Vice-Chairman, took the Chair.

The meeting was called to order at 10.10 a.m.

Agenda item 143: Financing of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994 (A/64/478, A/64/538 and A/64/555)

Agenda item 144: Financing of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991 (A/64/476, A/64/512 and A/64/555)

1. **Mr. Yamazaki** (Controller), introducing the report of the Secretary-General on the proposed budget for the International Criminal Tribunal for Rwanda for the biennium 2010-2011 (A/64/478), said that the proposed budget had been prepared taking into account the revised and updated version of the Tribunal's completion strategy, as outlined in the report of the Tribunal's President to the Security Council (S/2009/247).

2. The Tribunal continued to face a variety of challenges, including fair trial concerns, staffing constraints and parallel assignment of judges to several ongoing trials, that had affected the duration of trials and judgement drafting. The Tribunal nonetheless remained committed to completing the majority of trial work by the end of 2010, although the drafting of judgements in some five cases was projected to spill over into 2011. It was anticipated that judgement drafting in the ongoing trials of 25 accused, as well as in the anticipated trials of at least six others, could be concluded by the end of 2010.

3. The referral of cases from the Tribunal to national jurisdictions for trial remained a key pillar of the completion strategy. The Office of the Prosecutor was considering additional measures to ensure the timely completion of trials and to further reduce the possibilities for the emergence of an impunity gap.

4. The Tracking Team of the Office of the Prosecutor continued to intensify its efforts to locate the remaining fugitives still at large. Of the 11 indicted persons still at large, eight would be transferred to national jurisdictions for trial. The remaining three high-level fugitives would be tried at the Tribunal because of their leadership roles during the 1994 genocide. The resource requirements related to the trials of those three fugitives and of a fourth high-priority fugitive, who had been arrested shortly after the issuance of the report, were not reflected in the trial schedule or the related budget proposal. Estimates in respect of those fugitives would be addressed in accordance with established budgetary procedures as and when necessary.

5. In addition to those trials, the Office of the Prosecutor anticipated an increase in the workload of its Appeals and Legal Advisory Division, which would take up the applications and appeals from the several judgements that were expected to be delivered in 2009 and 2010.

6. The overall resources required for the Tribunal for the biennium 2010-2011 amounted to $244,085,700 gross ($226,618,500 net) before recosting, reflecting a decrease of $61,292,900 gross, or 20.1 per cent ($55,978,600 net, or 19.8 per cent), compared with the revised appropriation for the biennium 2008-2009. The proposal provided for the retention of 628 posts, representing a decrease of 65 posts (22 Professional and 43 General Service), or 9.4 per cent, from the current authorized staffing level of 693.

7. In addition to the budgetary provisions for the operational aspects of the Tribunal, the overall resource requirements included provisions for the continuation of the redaction and digitization of all audio-visual materials, including archiving of records of the Office of the Prosecutor ($6,626,300), and the accrued liabilities related to pensions of retired judges ($18,421,000).

8. In the second performance report on the budget of the International Criminal Tribunal for Rwanda for the biennium 2008-2009 (A/64/538), the Secretary-General proposed a final appropriation of $304,538,000 gross ($279,372,600 net), which reflected a decrease of $840,600 gross ($3,224,500 net) compared with the revised appropriation approved by the General Assembly in its resolution 63/254. The net reduction was the result of reduced requirements under post

incumbency and other changes ($3,276,000 gross ($5,500,100 net)), partially offset by additional requirements resulting from the combined effect of exchange rates and inflation ($2,435,400 gross ($2,275,600 net)).

9. Turning to the report of the Secretary-General on the proposed budget for the International Tribunal for the Former Yugoslavia for the biennium 2010-2011 (A/64/476), he said that five main developments would affect the Tribunal's workload in 2010-2011: the continuation of a seventh trial in the first three quarters of 2010; the high complexity of trials and appeals in multiple-accused cases; the completion of seven first-instance trials during the biennium; an increase in the number and complexity of interlocutory appeals and appeals on merits; and a reduction in first-instance trial activity as from the third quarter of 2010.

10. The Tribunal anticipated that, of the eight trials scheduled for the biennium 2010-2011, involving 15 accused, five would be completed in 2010 and an additional two in the first quarter of 2011, with the remaining trial extending through February 2012. The delays foreseen in estimated completion dates were for the most part attributable to the late arrest of fugitives, whose trials would otherwise have been joined with others relating to the same crime base. Those delays, in turn, would have an impact on appellate activity, which, according to estimates based on the workload of the Appeals Chamber, would not be completed prior to 2013.

11. Should the actual trial schedule diverge significantly from the one used to formulate the 2010-2011 budget proposal, resource requirements would have to be reassessed and realigned and any additional requirements would be addressed in the context of the performance reports for the biennium 2010-2011. In addition, the trial schedule and the related budget proposal did not take into account the resource requirements related to the trials of the two fugitives who remained at large.

12. The overall resources required for the Tribunal for the biennium 2010-2011 amounted to $301,895,900 gross ($279,847,400 net) before recosting, reflecting a net decrease in real terms of $74,337,000 gross, or 19.8 per cent ($62,219,600 net, or 18.2 per cent), compared to the revised appropriation for the biennium 2008-2009 ($376,232,900 gross).

13. For the biennium 2010-2011, the proposal provided for the retention of 546 temporary posts, reflecting a gradual decrease of 186 posts (86 Professional, 52 General Service and 48 Security Service), or 25 per cent, from the current authorized staffing level of 732. The functions of the abolished posts were to be gradually phased out. To ensure that the Tribunal had the flexibility to accelerate or decelerate the phasing out of individual posts, it was proposed that 35 posts should be abolished as at 1 January 2010 and a further 151 posts as at 1 January 2011, but that funding should be provided through general temporary assistance so that critical functions of the posts could be maintained in order to support the trials to be held and completed at different times during the biennium.

14. The budget proposal also provided for the redeployment and/or reclassification of a number of posts (A/64/476, paras. 72-75). The reduction in the number of posts would allow the Tribunal to close one of its three buildings in The Hague (Annex Building) by the end of March 2011.

15. The overall resource requirements for the biennium 2010-2011 also included provisions for the redaction and digitization of all audio-visual materials, including archiving of records of the Office of the Prosecutor and administrative records ($3,786,300), and the accrued liabilities related to pensions of retired judges and surviving spouses ($20,171,000).

16. In the second performance report on the budget of the International Tribunal for the Former Yugoslavia for the biennium 2008-2009 (A/64/512), the Secretary-General proposed a final appropriation of $388,888,300 gross ($345,690,900 net), which reflected an increase of $12,655,400 gross ($3,623,900 net) compared with the revised appropriation approved by the General Assembly in its resolution 63/255. The increase in requirements was the result of an increase due to exchange rate fluctuations ($11,209,400 gross ($10,584,000 net)) and an increase in post incumbency and other changes ($2,207,700 gross (decrease of $6,077,200 net)), partially offset by a decrease resulting from the effect of inflation ($761,700 gross ($882,900 net)).

17. **Mr. Kelapile** (Vice-Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/64/555), said that the

proposed budgets for the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia for the biennium 2010-2011 reflected the anticipated reduction in trial activity as the Tribunals moved towards completion of their work and reduced their staffing levels. Both Tribunals expected to complete nearly all first instance trials by the end of 2011, with appeals continuing into 2012.

18. The budget proposals for the Tribunals for the biennium 2011-2012 also included a one-time provision under grants and contributions to finance liabilities for the future payment of pensions to judges and surviving spouses. The current value of the accrued pension liability for future benefits as at 31 December 2011 was estimated at $18,421,000 for the International Criminal Tribunal for Rwanda and $20,171,000 for the International Tribunal for the Former Yugoslavia. The Advisory Committee recommended that the funding of those liabilities should be addressed in the final budget submissions and performance reports of the Tribunals. Such an approach was similar to the one that had been recommended by the Advisory Committee in its report on the funding of the Tribunals' long-term after-service health insurance liabilities (A/64/7/Add.4).

19. The Advisory Committee recommended approval of the remaining budget proposals related to the operations of the Tribunals in the biennium 2010-2011.

20. The Advisory Committee also noted that work on legacy issues and the proposed residual mechanism had been initiated, in consultation with the Office of Legal Affairs and the Security Council's Informal Working Group on Tribunals.

21. **Ms. Håkansson** (Sweden), speaking on behalf of the European Union, the candidate countries Croatia and the former Yugoslav Republic of Macedonia, the stabilization and association process country Albania and, in addition, Armenia, the Republic of Moldova and Ukraine, said that the European Union attached great importance to the work of the two Tribunals as instruments of post-conflict reconciliation and as mechanisms for combating impunity.

22. She noted with appreciation the large number of judgements that had been rendered and cases initiated by the International Criminal Tribunal for Rwanda in 2009. She also welcomed the measures that had been taken by the International Tribunal for the Former Yugoslavia to speed up its proceedings. Those actions reflected a commitment to the completion of the Tribunals' mandates.

23. The Tribunals should identify further measures that would enable them to complete their work in an efficient and expeditious manner. In that connection, she stressed the need for the Tribunals to continue downsizing wherever possible, as outlined in their completion strategy reports.

24. Lastly, the European Union once again urged all Member States to pay their assessed contributions in full, on time and without conditions.

25. **Ms. Pataca** (Angola), speaking on behalf of the Group of African States, said that the International Criminal Tribunal for Rwanda was to be commended for its exemplary work in bringing fugitives to justice and for its contribution to the restoration and maintenance of peace and stability in Rwanda.

26. The timely arrest and trial of fugitives was crucial to meeting the deadline established by the Security Council for the completion of the Tribunal's work. While the Group agreed that it was important to adhere to that deadline, there were many factors that could cause delays, including the high vacancy rate, issues related to staff retention and the possibility that trials might take longer than expected. The Group was particularly concerned about the Tribunal's consistently high vacancy rate and supported the Advisory Committee's recommendation that efforts to improve the vacancy situation should be intensified so as to ensure that the Tribunal had adequate staffing levels to complete its mandate. Despite the General Assembly's decision, in its resolution 63/256, to link the contracts of staff to the schedule of trials, the Tribunal still struggled to retain competent and experienced staff members. The Group therefore strongly urged the Secretary-General to continue exploring means of retaining the required staff.

27. Recalling that the referral of cases from the Tribunal to national jurisdictions for trial remained a key pillar of the completion strategy, she noted with pleasure that the Office of the Prosecutor was considering additional measures to ensure timely completion of trials. The Group also welcomed the measures taken by the Government of Rwanda to further amend its laws in order to remove any remaining legal hurdles to the transfer of cases from the Tribunal to Rwandan courts.

28. The Group appreciated the cooperative efforts of the International Criminal Tribunal for Rwanda, the International Tribunal for the Former Yugoslavia, the Archives and Records Management Section and the Office of Legal Affairs to develop and implement a common, comprehensive and coordinated strategy and project plan for archives and records management across the two Tribunals. In view of the nature of the cases that had been prosecuted by the International Criminal Tribunal for Rwanda, the Group supported measures aimed at retaining the Tribunal's archives in Africa.

29. Recalling that the Tribunal still required the use of its fourth courtroom, which had previously been funded through extrabudgetary resources, she stressed that resources should be made available for that purpose within the budget.

30. **Ms. Bejzyk** (Canada), speaking also on behalf of Australia and New Zealand, said that the three delegations strongly supported the efforts of the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia to hold accountable those responsible for committing the most serious crimes under international law, including genocide, crimes against humanity and war crimes. She welcomed the efforts of both Tribunals to implement their respective completion strategies and urged them to continue to identify measures that would enable them to complete their work as efficiently and promptly as possible. The Governments of the three countries would continue to offer the Tribunals their full support in that regard.

31. **Mr. Melrose** (United States of America) said that his Government had been a leading financial and political supporter of the two Tribunals since their inception. It encouraged both Tribunals to continue the swift pace of trials in order to come as close as possible to completing all remaining trials and appeals in 2010, in accordance with the completion strategy approved by the Security Council.

32. His delegation supported the Advisory Committee's recommendations in respect of both Tribunals and was pleased to note that the proposed adjustments in posts and resources were consistent with the anticipated reduction in trial activity during the biennium 2010-2011.

33. With regard to the funding of after-service health insurance and pension liabilities for judges, his delegation supported the Advisory Committee's recommendation that the General Assembly, in keeping with the approach employed across the United Nations system, should appropriate only those resources required to cover the current cost of pensions in the context of the Tribunals' budgets for the biennium 2010-2011.

34. His delegation also noted with pleasure that preparations for the transition to the proposed residual mechanism were being coordinated between both Tribunals and looked forward to learning of further action aimed at ensuring a smooth transition.

35. **Mr. Prokhorov** (Russian Federation) said that the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia, which had been established by the Security Council as temporary international courts, had done significant work in bringing to justice those individuals who had committed crimes under international law in the territories of Rwanda and the former Yugoslavia. However, such ad hoc courts should not continue indefinitely to serve as substitutes for national courts.

36. Against the backdrop of the global economic crisis, the Committee should act prudently with regard to the financing of the Tribunals for the biennium 2010-2011, particularly in view of the cost involved in preserving the Tribunals' archives and records and the transfer of their functions to the residual mechanism. In that connection, his delegation supported efforts to speed the pace of trials and streamline the work of the Chambers by twin-tracking a number of cases.

37. Any decisions that might arise from the Security Council's forthcoming deliberations on the Tribunals, scheduled for 16 December 2009, would have a significant impact on the Committee's discussions on the subject.

38. **Mr. Tawana** (South Africa) said that his delegation remained a steadfast supporter of the International Criminal Tribunal for Rwanda. However, it was concerned about the Tribunal's uncertain financial position and would welcome further information from the Controller in that regard.

39. Recalling that two fugitives had been arrested since the presentation of the budget for the biennium 2010-2011, he sought reassurance from the Secretary-General that sufficient resources would be made available for the trial of those fugitives.

40. **Mr. Yamazaki** (Controller), responding to the representative of South Africa, said that the Secretariat would provide delegations with further information on the International Criminal Tribunal for Rwanda in informal consultations.

The meeting rose at 10.50 a.m.

United Nations A/C.5/64/SR.20

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Chairman: Mr. Maurer ..... (Switzerland)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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Second performance report on the programme budget for the biennium 2008-2009

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The meeting was called to order at 10.10 a.m.

Agenda item 132: Proposed programme budget for the biennium 2010-2011 (*continued*)

Estimates in respect of special political missions, good offices and other political initiatives authorized by the General Assembly and/or the Security Council (A/64/7/Add.13, A/64/294 and A/64/349 and Add.1-5; A/C.5/64/10)

1. **Mr. Yamazaki** (Controller), introducing the reports of the Secretary-General contained in documents A/64/349 and Add.1-5, said that the budget proposals for special political missions for 2010 had once again been grouped into three thematic clusters (cluster I: special and personal envoys, and special advisers of the Secretary-General (A/64/349/Add.1); cluster II: sanctions monitoring teams, groups and panels (A/64/349/Add.2); and cluster III: United Nations offices, peacebuilding offices, integrated offices and commissions (A/64/349/Add.3)). The budget proposals for the United Nations Assistance Mission in Afghanistan (UNAMA) and the United Nations Assistance Mission for Iraq (UNAMI) had been presented separately, in documents A/64/349/Add.4 and Add.5 respectively. As far as possible, the format and presentation of the budget proposals for special political missions mirrored those for peacekeeping operations.

2. Of the 27 special political missions authorized by the General Assembly and/or the Security Council, 9 had open-ended mandates; 1 had a mandate expiring on 25 April 2011; 12 had mandates ending between January and December 2010; and 1 was still under consideration by the General Assembly. The mandates of the remaining four missions, which were due to expire at the end of December 2009, were likely to be extended after due consideration by the Security Council.

3. The United Nations Peacebuilding Support Office in the Central African Republic (BONUCA) had been transformed into the United Nations Integrated Peacebuilding Office in the Central African Republic (BINUCA). The United Nations Peacebuilding Support Office in Guinea-Bissau (UNOGBIS) would be liquidated by 31 December 2009 and thereafter be fully transformed into the United Nations Integrated Peacebuilding Office in Guinea-Bissau (UNIOGBIS). The mandates of the Special Envoy of the Secretary-General for the Lord's Resistance Army-affected Areas and the United Nations International Independent Investigation Commission (UNIIIC) had been fully liquidated by the end of June 2009.

4. The total 2010 requirements for the 27 missions were estimated at $599,526,500 net. The report contained in documents A/64/349 and Add.1-5 provided mission-by-mission details of existing resources, estimated expenditure by the end of the biennium 2008-2009 and requirements for 2010, which ranged from $690,700 to $241.9 million; those for UNAMA and UNAMI, the two largest missions, accounted for about 66.9 per cent of the total.

5. A total of 5,286 positions were proposed for 2010. The net increase of 595 compared to 2009 mainly reflected the planned expansion of UNAMA and the change in the structure of the United Nations presence in the Central African Republic and in Guinea-Bissau, the impact of which was partially offset by the liquidation of UNIIIC. The two largest missions, UNAMA and UNAMI, accounted for approximately 73.6 per cent of the proposed staffing resources.

6. The resource requirements for UNAMA for 2010 were estimated at $241,944,300 net, reflecting a net increase of 56.2 per cent over the approved budget for 2009, which was mainly attributable to the proposed establishment of 818 additional positions; the opening of six additional provincial offices; the proposed implementation of the Security Gap project and the deployment of additional international security guards to all Mission locations; the proposed expansion of the Mission's air fleet; and the proposed incorporation of quick-impact projects for regions and provinces where UNAMA had, and would have, a presence.

7. The resource requirements for UNAMI for 2010 were estimated at $158,989,300 net, reflecting a net increase of 6.8 per cent over the approved budget for 2009, mainly resulting from increased travel requirements; increased air transportation costs reflecting greater helicopter use; and increased communications and information technology costs related to the Mission's expanded presence throughout Iraq. The proposed budget for UNAMI (A/64/349/Add.5) also contained an update on the status of the construction project related to the planned integrated headquarters compound in Baghdad.

8. Chapter II of the report (A/64/349) provided information based on the reporting requirements

resulting from General Assembly resolution 63/261 on the strengthening of the Department of Political Affairs. The action required of the General Assembly was presented in chapter IV of the report.

9. **The Chairman** drew the Committee's attention to a letter dated 10 December 2009 addressed to him by the President of the General Assembly (A/C.5/64/10), transmitting a letter from the Secretary-General dated 9 December 2009 regarding the deterioration of the general security situation within Afghanistan and other high threat locations.

10. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's related report (A/64/7/Add.13), said that the Advisory Committee's comments on cross-cutting issues reflected its view that the information on programmatic performance of special political missions provided in the Secretary-General's report and its addendums (A/64/349 and Add.1-5) was not sufficiently clear or specific in terms of the results achieved. Starting with the next budget cycle, more systematic and thorough performance information should be provided, in particular for larger missions such as UNAMA and UNAMI.

11. The Advisory Committee noted the Secretary-General's efforts to respond to the requests made by the General Assembly in its resolution 63/261, as well as to the recommendations made by the Advisory Committee in its reports on the strengthening of the Department of Political Affairs (A/62/7/Add.32) and on estimates in respect of special political missions for 2009 (A/63/593). Those efforts should be further developed. For example, more attention should be given to explaining the reasons for selecting a particular type of mission, its size and scope, and the choice of lead department. The development of standard operating procedures related to mission start-up, transformation and liquidation should be expedited; and clear benchmarks for progress should be established.

12. The Advisory Committee's comments and recommendations on the resources requested for special political missions in the three thematic clusters, as well as for UNAMA and UNAMI, were contained in chapters III, IV and V of its report (A/64/7/Add.13). With regard to cluster I, the Advisory Committee believed that the progress made in implementing the mandate of the Special Envoy of the Secretary-General on the Great Lakes region since the preparation of the proposed budget made it possible to reduce the provision for the Office of the Special Envoy to $1,534,600 for the period from 1 January to 30 June 2010. The Advisory Committee's recommendations on the overall post and non-post resources proposed by the Secretary-General for cluster I would entail a reduction of $1.7 million.

13. With regard to cluster II, the Advisory Committee had recommended a small adjustment to the staffing proposals for the Panel of Experts of the Security Council committee on measures relating to the Democratic People's Republic of Korea and the re-evaluation of its staffing capacity in the light of experience gained after one year of operation. The Advisory Committee also reiterated the need for greater transparency in the presentation of the resources proposed for hiring consultants. The members of the panels should have the expertise appropriate to their mandate, so that consultants were hired only for short periods, to provide very specialized expertise that was not otherwise available. The Advisory Committee's recommendations for cluster II would entail a reduction of $137,600 in the resources proposed by the Secretary-General.

14. With regard to cluster III, the Advisory Committee considered that the proposed structure of the administrative components of BINUCA and UNIOGBIS was too closely modelled on that of the peacekeeping missions and should be streamlined. In view of the significant variations in the structures and resources proposed for the peacebuilding offices, it also encouraged the Secretary-General to adopt a prudent approach in staffing new offices, taking into account operational requirements. The Advisory Committee had therefore recommended some reductions in the proposed staffing for mission support functions of the two missions, as well as some adjustments to the vacancy factors to be applied to staffing. It also requested the Secretary-General to give greater emphasis to cooperation with the United Nations country teams and provide concrete examples of such cooperation in future budget submissions.

15. The presentation of the proposed budget for the United Nations Political Office for Somalia (UNPOS) was particularly unclear. As developments in Somalia would determine the pace at which planned activities could be implemented, staff should be recruited only as

required and the vacancy factors originally assumed should be adjusted. With regard to the United Nations Integrated Office in Burundi (BINUB), the vacancy factors for international and national staff should be adjusted in the light of recent data and experience; the resources proposed for facilities and infrastructure should be reduced in the light of the pattern of expenditure observed; and resources for air transportation should be reduced, as the proposed increase was not proportionate with the additional operational requirements described. The Advisory Committee's recommendations would entail a reduction of $5.8 million in the Secretary-General's overall proposals for the missions under cluster III.

16. In view of the 56 per cent increase in the proposed resources for UNAMA for 2010, future resource requests should provide more systematic, clear and specific information on results achieved and on the conditions required for effective utilization of the resources requested to support the mandated objectives, and clear justification should be given for supplementing existing capacity. In addition, when submitting resource requests for 2011, the Secretariat should provide an analysis of how the Mission's restructuring and approved additional staffing, including the additional capacity and resources to be provided for 2010, had contributed to the implementation of the Mission's mandate.

17. Aware that UNAMA must respond to the priorities set out by the Secretary-General in his report (A/64/349/Add.4) and recognizing the Mission's difficult security environment, the Advisory Committee stressed the need for realistic planning in the further development of the Mission's operations and pointed out the management challenges inherent in the Mission's envisaged simultaneous expansion to new locations and reinforcement in existing locations. The further development of regional and provincial offices should be based on lessons learned to date.

18. In view of the prevailing security situation and the possibility of delays in implementing the operational workplan, the Advisory Committee recommended that, for 2010, provision should be made for two thirds of the staff and non-staff resources requested for the six new provincial offices. Should the pace of expansion be faster, additional resources should be reported by the Secretary-General in the first performance report for the biennium 2010-2011. The Secretary-General should also be requested to report to the General Assembly on progress at the second part of its resumed sixty-fourth session. The Advisory Committee's recommendations would entail a reduction of $9.9 million in staffing and non-staffing resources proposed for UNAMA for 2010.

19. On 10 December 2009, the Advisory Committee had held a hearing with representatives of the Secretary-General regarding the letter dated 9 December 2009 addressed to the President of the General Assembly on the subject of the general security situation within Afghanistan and other high threat locations (A/C.5/64/10). The Advisory Committee was informed that the amount of $7.9 million from the proposed budget of UNAMA that the Secretary-General wished to use to meet the most highly prioritized security requirements for the period between 1 January and 30 April 2010 would be restored to the 2010 UNAMA budget. The Committee accordingly had no objection to that one-off ad hoc arrangement and requested that such utilization should be detailed in the performance report for UNAMA for 2010.

20. Turning to UNAMI, she said that the Advisory Committee recommended approval of the Secretary-General's staffing and non-staffing proposals for 2010. Having been informed that, in view of the planned drawdown of the international forces in Iraq, UNAMI would continue to seek to become more operationally self-reliant and take measures to improve the capabilities of its Safety and Security Service, the Advisory Committee stressed that the impact of the drawdown, including possible financial implications for the United Nations, should be kept under review.

21. The Advisory Committee was concerned that the timeline for the planned construction of an integrated headquarters compound in Baghdad, as described in the Secretary-General's report (A/64/349/Add.5) might not be realistic. The comprehensive report to be submitted to the General Assembly during the resumed sixty-fourth session should provide detailed comprehensive financial requirements and clear timelines for the different phases of its implementation, as requested by the General Assembly in its resolution 63/263, as well as clarification regarding project oversight, the level of responsibility of the High-level Advisory Group, the role of the Office of Central Support Services and the results of the High-level Advisory Group's review of lessons learned from other United Nations construction projects. Bearing in mind

that no obligations had been made in 2009 against the commitment authority of up to $5 million for UNAMI approved by the General Assembly in its resolution 63/263, the Advisory Committee recommended acceptance of the Secretary-General's proposal for a similar commitment authority of up to $5 million for the biennium 2010-2011.

22. The recommendations contained in the Advisory Committee's report (A/64/7/Add.13) would entail an overall reduction of $17.6 million in the resources proposed by the Secretary-General for special political missions for 2010.

23. **Ms. Ahlenius** (Under-Secretary-General for Internal Oversight Services), introducing the report of the Office of Internal Oversight Services (OIOS) on its follow-up audit of the management of special political missions by the Department of Political Affairs (A/64/294), said that the main objective of the audit had been to determine whether the recommendations contained in the previous OIOS report (A/61/357) had been implemented and to assess the mitigating controls in place to address some of the substantial risks identified. Of the 15 previous recommendations, six had been implemented, seven were still being implemented, and two had been overtaken by the establishment of the Department of Field Support.

24. The audit had found that more effective and efficient backstopping of special political missions required clearer accountability mechanisms and that guidance and procedures for the management and staff of those missions should be further developed. In that connection, the criteria for assigning the lead role for a field mission to either the Department of Political Affairs or the Department of Peacekeeping Operations had yet to be finalized, leading to a risk of duplicated responsibilities and unclear accountability.

25. As the Departments of Political Affairs and Field Support had not yet put in place a support strategy and service level agreement for the provision of administrative support to special political missions responsibilities were still unclear, presenting a risk to the Organization. Also still in development were policies, standard processes, guidelines and performance management methods to help Department of Political Affairs desk officers to backstop special political missions effectively. Lastly, the significant increase in special political mission budgets from 1999 to 2009 had not been reflected in the overall Department of Political Affairs budget, which also failed to distinguish the requirements for managing special political missions from those for other Department activities.

26. The eight new OIOS recommendations had all been accepted. They aimed to strengthen accountability mechanisms and internal controls in high-risk areas of the activities of the Department of Political Affairs connected with special political missions. The Department should review its management and backstopping capacity at Headquarters, providing statistics on the distribution of resources. It should propose to the General Assembly an appropriate mechanism for redeploying at Headquarters posts usually attached to missions to ensure stable and adequate capacity to backstop large special political missions for which it had been made the lead department on an exceptional basis. However, such a mechanism must not establish in the Department of Political Affairs backstopping capacities that might already exist in the Department of Peacekeeping Operations. Furthermore, the Secretary-General should expedite the implementation of accountability mechanisms for heads of special political missions led by the Department of Political Affairs, including them within his compacts with senior managers.

27. **Mr. Lafortune** (Canada), speaking also on behalf of Australia and New Zealand, said that, despite the particular challenges associated with establishing accurate budgets for special political missions, the Secretary-General should, to the greatest extent possible, provide Member States with accurate forecasts of resource needs for the full biennium. While the overall provision for special political missions contained in the proposed programme budget for 2010-2011 was about $829 million, the total estimated requirements for 2010 amounted to almost $600 million, leaving an unrealistic balance of about $229 million for 2011. Moreover, as the financial requirements for special political missions tended to fluctuate considerably more than requirements for other activities included in the regular budget and were therefore difficult to analyse, a different method of budgetary presentation should be considered.

28. Special political missions played a key role in preventing, controlling and resolving conflicts, as well as in post-conflict peacebuilding. The three delegations welcomed the background information provided by the Secretariat on the criteria for establishing such

missions and on the "lead department" concept; however, they concurred with the Advisory Committee that the rationale behind the determination of the type of mission, its size and scope of activities, and the lead department should be made clearer. They also urged the Secretariat to develop, for all special political missions, clear performance indicators that adhered to SMART (specific, measurable, attainable, reasonable and time-bound) principles, so that Member States could evaluate progress in the achievement of expected accomplishments.

29. With regard to the Secretary-General's proposal to establish two new integrated peacebuilding offices, in Guinea-Bissau and the Central African Republic, the three delegations understood the Secretariat's desire to draw on lessons learned during the establishment of the administrative structures of peacekeeping missions; however, they concurred with the Advisory Committee that the proposed structures for such offices should not draw too heavily on the experience of the peacekeeping missions.

30. The three delegations, all heavily involved in Afghanistan, firmly believed that UNAMA played a central role in coordinating international action and assistance in support of the Afghan Government, as emphasized at the International Conference on Afghanistan, held in The Hague on 31 March 2009. They fully understood that an increased emphasis on civilian efforts, with a focus on governance and service delivery and a better alignment of international efforts through UNAMA, would help the international community and the Afghan Government to offer a better future for the people of Afghanistan, and they therefore welcomed the Secretary-General's proposal to strengthen the Mission's capacity to implement its mandate. Aware of the challenges UNAMA would face in strengthening its presence outside Kabul in a volatile environment, they requested clarification of the potential impact of the Advisory Committee's recommendations to reduce the appropriation for operational costs and deployment of civilian personnel. The three delegations looked forward to working closely with all Member States to ensure that UNAMA expanded in a manner consistent with the safety and security of United Nations staff, which was a matter of grave concern. In that connection, they expressed their sympathies to the families and friends of the United Nations staff who had lost their lives in Afghanistan in 2009.

31. With regard to UNAMI, the three delegations, recalling that Baghdad remained a high-risk and challenging environment for United Nations staff, looked forward to the completion of the integrated headquarters compound there. As the Secretariat had been forced to reconsider its planning assumptions for that construction project, as well as the project timeline and scope, it should also have provided updated estimated costs. The proposal submitted should be convincing and contain sound financial analysis and assurances that the project would be completed on time and within its budget.

32. Lastly, the three delegations reiterated their concern at the late introduction of the reports before the Committee. For several consecutive years, the General Assembly had been required to consider hundreds of millions of dollars of complex proposals for special political missions close to the end of its session, which made it difficult for Member States to adequately perform their oversight role.

33. **Mr. Melrose** (United States of America), expressing strong support in principle for all United Nations special political missions, said that his delegation agreed with the Secretary-General's request for approval from the General Assembly for a commitment authority to undertake design work for the United Nations integrated compound in Baghdad. He urged the Secretary-General to provide a comprehensive report for consideration by the Committee at the second part of the resumed sixty-fourth session of the General Assembly.

34. Fully supporting the establishment of new integrated peacebuilding offices in the Central African Republic and Guinea-Bissau, his delegation underlined the importance of coordination in that connection with relevant actors at Headquarters and in the field. As the Advisory Committee had recommended, the impact of such Headquarters and United Nations country team coordination should be reported in all budget submissions for special political missions.

35. Expanding the presence of UNAMA throughout Afghanistan was essential to the fulfilment of the Mission's mandate. In that connection, his delegation, committed to ensuring the security of all UNAMA staff and other United Nations personnel in Afghanistan, welcomed the proposals contained in the Secretary-General's recent letter addressed to the President of the General Assembly (A/C.5/64/10) and noted the

Secretary-General's intention to restore the funds utilized for priority security measures to the UNAMA budget for 2010.

36. While his delegation wished to underline its commitment to ensuring that all such important mandated activities had the resources they needed to function effectively, at a time of rapidly escalating expenditure every effort should be made to ensure the effective, efficient and transparent use of resources, especially in the current financial climate.

37. **Mr. Al-Mir** (Qatar) said that his delegation recognized the importance of special political missions, which played an important role in maintaining international peace and security. The Secretary-General's good offices should be supported and strengthened not only because they were crucial to the success of peacekeeping operations, but also because they helped to prevent conflicts from escalating to the point of requiring the deployment of peacekeeping operations. He expressed gratitude for the Secretary-General's support of the State of Qatar's efforts to mediate between the parties to the conflict in the Sudan. Resource requirements for special political missions should be viewed in the context of the challenges faced by the international community. The link between present and potential challenges and the need to provide for the financing of special political missions should not be forgotten. The proposed programme budget for the forthcoming biennium should give the Secretariat the capacity to cope with the existing 27 special political missions and any others that might be approved.

38. **Mr. Okochi** (Japan), noting that special political missions now accounted for some 20 per cent of the proposed programme budget for the biennium 2010-2011, said that his delegation shared the Advisory Committee's concern that the Secretary-General lacked a clear basis for determining the type of United Nations presence to be established in different parts of the world. Peacebuilding offices with structures similar to those of peacekeeping missions were proposed under cluster II; regional offices with the appearance of permanent structures were being established in West Africa and Central Asia; and the backstopping functions for UNAMI and UNAMA were carried out by different departments without rational distinction. The assessment of backstopping should be completed expeditiously, to improve the coherence of proposals for special political missions.

39. Noting the overall provision of approximately $800 million for special political missions in the proposed programme budget for the biennium 2010-2011, he said that approval of the Secretary-General's proposed budget of just under $600 million for 2010 would leave only some $200 million for 2011. While his delegation recognized that the resource requirements for special political missions were estimates and were subject to change based on whether mandates were extended, it considered that the General Assembly's budget decisions would lose much of their meaning if amounts were subsequently repeatedly revised. His delegation hoped that discussion of the budgetary structure of special political missions at the resumed sixty-fourth session of the General Assembly would lead to more accurate budget forecasts in future.

40. While the background information provided by the Secretariat to make the process of establishing special political missions more transparent was welcomed, he expressed concern that, when the establishment of one special political mission was discussed in June 2009, the Secretary-General had submitted to the Security Council a report containing not only its mandate and its overall structure but also a detailed description of posts required. The structure and posts of special political missions were and must remain a matter to be discussed in the General Assembly from a budgetary and administrative standpoint; his delegation therefore requested the Secretariat to give due and prudent consideration to the division of labour between the Assembly and other United Nations organs.

41. During informal consultations, his delegation would pay particular attention to vacancy rates and unencumbered balances, as well as resources allocated for the services of consultants. He recalled that, as expressed in previous Assembly resolutions, special political missions should resort to hiring consultants only when very specialized expertise not found in the United Nations system was required.

42. Lastly, he reiterated that the responsibility for ensuring the safety of United Nations mission staff should be shared by all Member States and the Secretariat; his delegation therefore supported in principle the measures described in the Secretary-General's letter to the President of the General Assembly (A/C.5/64/10).

43. **Mr. Shin** Boo-nam (Republic of Korea) said that special political missions had become one of the Organization's most important tools for preventing, controlling and resolving conflicts, as well as for post-conflict peacebuilding. As the number, role and budgets of such missions had significantly expanded over the previous 10 years, the relevant departments of the Secretariat should continue efforts to introduce standard operating procedures for establishing, maintaining, overseeing and liquidating each special political mission. The resulting greater synergy would promote more effective implementation of the missions' mandates.

44. His delegation was open to pursuing the informal discussions between the Secretary-General and Member States aimed at improving the current funding arrangements for special political missions. Lastly, with regard to the letter dated 9 December 2009 from the Secretary-General to the President of the General Assembly (A/C.5/64/10), his delegation welcomed and supported the Secretary-General's request to draw on the proposed budget of UNAMA to meet the most highly prioritized security requirements for the period between 1 January and 30 April 2010.

45. **Ms. Ataeva** (Turkmenistan) said that the United Nations Regional Centre for Preventive Diplomacy for Central Asia had been established in Ashgabat in 2008 with the support of all five of the Central Asian States. Its main function was to help the Governments of the countries of the region to address common problems such as drugs, terrorism and extremism, as well as to promote non-proliferation of weapons of mass destruction, mitigate the effects of the financial and economic crisis, manage water resources and respond to environmental degradation. The Centre had participated in developing joint workplans on a number of issues, including international legal cooperation to combat biological, chemical and nuclear terrorism.

46. In June 2009, the Centre had reported to the Security Council on its work, and had been praised for its efforts. Given that Central Asia covered a very large area, coordination of the Centre's activity with the Governments of the region would require four additional staff positions, one in each capital, to handle political and communications matters, expand activities, collect information and maintain relationships with international and regional organizations on the ground. It was important for the General Assembly to support the Centre's 2010 budget and staffing proposals.

47. **Mr. Panahov** (Azerbaijan) said that his delegation welcomed the activity and objectives of the Regional Centre for Preventive Diplomacy, which played a significant role in organizing international conferences, seminars and consultations in its various fields of activity, as well as in facilitating cross-border cooperation for joint actions to address common threats and challenges including international terrorism and extremism, drug trafficking, organized crime and environmental degradation. As a supporter of the United Nations Global Counter-Terrorism Strategy and global efforts to combat the above-mentioned crimes, his delegation considered that the Centre was of paramount importance and had a role to play in ensuring regional security in Central Asia. It should therefore receive the required resources to ensure its effective functioning, within the Organization's financial capabilities.

48. **Mr. Jeenbaev** (Kyrgyzstan) echoed the support expressed by the representatives of Turkmenistan and Azerbaijan for broader representation of the Centre in each country of Central Asia.

49. **Ms. Berlanga** (Mexico) said her delegation was deeply concerned that the reports on special political missions, which accounted for some 20 per cent of the United Nations regular budget, had been submitted for the Committee's consideration almost one week after the scheduled end of the main part of the sixty-fourth session of the General Assembly. Bearing in mind the dramatic expansion since 2002 of those missions' role, size, scope and, most importantly, resource requirements, her delegation would be undertaking an exhaustive analysis of the Secretary-General's request for resources.

50. A separate account should be established for all special political missions and should be funded on the basis of the scale of assessments used for peacekeeping missions. As pointed out by the Advisory Committee, the scale of the resource requirements for special political missions, and their volatility, distorted the picture of trends in the regular budget as a whole from biennium to biennium and rendered analysis of developments in the rest of the regular budget difficult.

51. According to Article 17, paragraph 1, of the Charter of the United Nations, it was the responsibility of the General Assembly to consider and approve the budget of the Organization. Her delegation therefore concurred with the Advisory Committee that the

Secretary-General's provision of administrative and budgetary details to the Security Council should not be understood by the Secretariat as prejudging in any way the General Assembly's decision with respect to the administrative, budgetary and structural aspects of the missions. Requests for resources should be supported by clear justification on how existing capacity needed to be supplemented and adequate information on past performance.

52. **Mr. Askarov** (Uzbekistan) said that, some years previously, the effectiveness and usefulness of the United Nations in some parts of the world and some areas of activity had been called into question. However, the Organization had recovered its credibility. Its effectiveness was dependent on the presence of United Nations bodies in each region, and the appropriateness of those bodies' assessments; for that reason, appropriate resources must be made available to them. He joined the representatives of Azerbaijan, Kyrgyzstan and Turkmenistan in supporting the work of the United Nations Regional Centre for Preventive Diplomacy for Central Asia within its established mandate. In that connection, he called for the allocation of the necessary resources to create four additional National Officer positions in the regional of Central Asia and to provide funds for staff travel.

53. **Mr. Rosales Díaz** (Nicaragua) said that his delegation regretted the late submission of the estimates in respect of special political missions for 2010. Furthermore, it was hard to understand how, less than two months after the Secretary-General's introduction of the proposed programme budget for the biennium 2010-2011, which contained a provision for special political missions of about $829 million, the estimated requirement for those missions for 2010-2011 had increased to almost $1,200 million. He would be requesting clarification on that point in informal consultations.

54. His delegation was also concerned that the budget for special political missions had increased twelvefold in the previous nine years, with UNAMI and UNAMA currently accounting for almost 70 per cent of the total sum. The significant increase had led to an unacceptable distortion of the regular budget; it was therefore absolutely necessary to establish a separate account for such missions. Furthermore, as it was not clear why the scale of assessments applicable to the regular budget continued to be used to finance them, the existing arrangements should be analysed.

55. **Mr. Diab** (Syrian Arab Republic) said that the budget for the Special Envoy of the Secretary-General for the implementation of Security Council resolution 1559 (2004) violated the budgetary guidelines established in General Assembly resolutions 55/231 and 63/261 because it included activities outside the Special Envoy's mandate. In particular, expected accomplishment (c), "facilitation in support of a strengthened response by all Member States to the remaining provisions of Security Council resolution 1680 (2006)", had no place in the proposed programme budget because resolution 1680 (2006) referred to the establishment of diplomatic relations and the delineation of borders, matters that should be negotiated bilaterally between the Syrian Arab Republic and Lebanon. It was unacceptable for the Special Envoy to keep citing Syria's name in his reports when it had implemented all relevant provisions of Security Council resolution 1559 (2004) by completing a full withdrawal from Lebanon, a fact acknowledged by numerous reports of the Secretary-General. The party that was failing to comply with resolution 1559 (2004) was Israel, which persistently violated Lebanese territorial sovereignty. The Security Council should focus on bringing pressure to bear on Israel to withdraw from the Shab'a farmlands, Kafr Shuba and the northern part of the town of Al-Ghajar.

56. The Secretary-General's Special Envoy for the implementation of Security Council resolution 1559 (2004) had overstepped his mandate in a number of other unexpected ways. According to an Israeli newspaper, he had requested the Israeli Government to halt indirect negotiations between Syria and Israel mediated by Turkey in June 2008, and had urged the Government of Israel to cancel its intended withdrawal from the town of Al-Ghajar. A Special Envoy who sabotaged negotiations, encouraged continued occupation and focused on bilateral issues between Syria and Lebanon while ignoring Israel's violations of Lebanese sovereignty should have his mandate terminated. The Committee should not allocate any financial resources to the Special Envoy for the implementation of Security Council resolution 1559 (2004).

Agenda item 131: Programme budget for the biennium 2008-2009 (*continued*)

Second performance report on the programme budget for the biennium 2008-2009 (A/64/545 and A/64/574)

57. **Mr. Yamazaki** (Controller), introducing the Secretary-General's second performance report on the programme budget for the biennium 2008-2009 (A/64/545), said that the report provided an estimate of the anticipated final level of expenditure under the programme budget for the biennium 2008-2009, taking into account changes in parameters for inflation and exchange rates and cost-of-living adjustments compared with the previous update of parameters at the time of approval of the first performance report (A/63/573).The estimate was based on actual budgetary expenditures for the first 21 months of the biennium.

58. The estimates in the report reflected a net decrease of $85.4 million, has expenditure had fallen by $92.8 million and income had fallen by $7.4 million. The expenditure reduction resulted mainly from downward adjustments under 27 budget sections, including reductions connected with special political missions; common staff costs; and the pace of recruitment and related operations for the Economic Commission for Africa and the Department of Safety and Security.

59. A $27.9 million decrease in inflation provisions was partially offset by an unfavourable exchange-rate situation, leading to $22.9 million of additional requirements, reflecting the general weakening of the United States dollar in a number of operational rates during the year as compared with those assumed in the revised appropriation. In particular, movements in exchange rates against the Swiss franc and the euro had resulted in additional requirements of $18.7 million and $6.9 million respectively. Inflation adjustments had been made on the basis of the latest available consumer price index information, and of differences in actual post adjustment indices for staff in the Professional category and above and actual cost-of-living adjustments of salary scales for staff in the General Service and related categories compared with the assumptions made in the revised appropriations.

60. Unforeseen and extraordinary expenses incurred in accordance with General Assembly resolution 62/239 amounted to some $3.8 million; most of that amount representing commitments relating to peace and security ($3.4 million). Commitments relating to the operation of the International Court of Justice amounted to $410,000.

61. In his report on the construction of additional office facilities at the Economic Commission for Africa in Addis Ababa and the United Nations Office at Nairobi (A/64/486), the Secretary-General had provided information on progress made and had indicated that the Commission was dedicated to completing the project within the approved funding level of $14,333,100. Accordingly, the commitments of $1,936,400 under sections 32, 33 and 35 of the proposed programme budget for the biennium 2008-2009, which had been authorized by the General Assembly in its resolution 62/238, would still be required for the implementation of the project in the coming bienniums.

62. The second performance report (A/64/545) also covered the organization of the Conference on the World Financial and Economic Crisis and Its Impact on Development, pursuant to General Assembly resolution 63/277. The final expenditure incurred against the resources committed in support of the conference under various sections of the programme budget for the biennium were estimated at $611,400.

63. The Secretary-General had submitted a report (A/64/562) on the implementation of his limited discretion for budgetary implementation, authorized in General Assembly resolution 60/283, on an experimental basis, for the bienniums 2006-2007 and 2008-2009. Based on the results of the experiment, as well as lessons learned, the Secretary-General proposed to continue the limited discretionary provision as an established procedure with some modifications. During the biennium 2008-2009, such authority had been utilized to address the continued funding of a dedicated project team to maintain momentum and ensure progress on major foundation tasks relating to the enterprise resource planning system and for operational preparedness and business continuity in a protracted crisis resulting from an influenza pandemic. Those requirements had been met through the utilization of potential savings identified under a number of sections of the programme budget, as detailed in the second performance report (A/64/545).

64. Lastly, post incumbency and other changes accounted for a net decrease of $94.4 million. Savings in post-related expenditure reflected the vacancy situation during the period and actual payroll experience, while a number of other areas of expenditure also reflected decreased requirements, notably resulting from the

impact of vacancies, resources for special political missions, and the delays to the international public sector accounting standards project. Increases primarily related to other staff costs and travel of staff, including such factors as special political mission requirements, changes in mission subsistence allowance rates for military observers in the United Nations Truce Supervision Organization (UNTSO), unanticipated meeting attendance and coverage requirements, and technical assistance and advisory services in the regional commissions. The second performance report on the programme budget for the biennium 2008-2009 (A/64/545) contained a comprehensive analysis of changes by area of expenditure. Income had decreased by $7.4 million, as a result of changes to staff assessment levels under income section 1, an increase under income section 2 and an increase under income section 3.

65. Section V of the report (A/64/545) indicated the recosting methodologies used by other international organizations, as reported by the United Nations System Chief Executives Board for Coordination pursuant to the request contained in General Assembly resolution 63/263. The final estimates for 2008-2009 were $4,792.4 million for the expenditure sections and $550.5 million for the income sections.

66. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/64/574), commended the Secretary-General for submitting the second performance report (A/64/545) earlier than in the past, to ensure its availability to Member States in time for their consideration of the proposed programme budget for the biennium 2010-2011. The Advisory Committee believed that the second performance report would be a more useful accountability and monitoring tool for Member States in their review of the financial aspects of budget performance if it contained greater analysis of data and trends over past bienniums.

67. Noting that vacancy rates remained higher than budgeted, even though new posts were requested in the proposed budget of any given biennium, the Advisory Committee believed that post requirements and budgeted vacancy rates might not be based on realistic assumptions and was concerned about the related financial implications. It urged closer budgetary control in that connection.

68. The performance reports indicated no overall improvement in expenditure overruns for staff travel. Having previously highlighted its concern about such overexpenditure, especially in consecutive bienniums, the Advisory Committee reiterated its request for an analysis of its underlying causes. Tighter planning assumptions and budgetary control mechanisms should also be used to keep expenditure within the approved budget.

69. The Advisory Committee recommended that the General Assembly should take note of the second performance report on the programme budget for the biennium 2008-2009 (A/64/545).

70. **Mr. Elhag** (Sudan), speaking on behalf of the Group of 77 and China, said that the budgetary procedures established by General Assembly resolutions 41/213 and 42/211 should be strictly adhered to. Recosting had been an integral part of budgeting procedures for over two decades, and any attempt to modify recosting in order to achieve savings would have detrimental effects on mandate implementation. While the Group of 77 and China took note of the information provided by the Secretary-General on recosting methodologies used by other international organizations, it wished to stress that the tasks of the United Nations were unique, and recosting measures needed to be customized to meet its unique needs.

71. **Mr. Råsbrant** (Sweden), speaking on behalf of the European Union, expressed concern that so many reports were being introduced so late in the session. With respect to the second performance report on the programme budget for the biennium 2008-2009, he took note of the expenditure decrease, the higher-than-budgeted vacancy rates, and the information on recosting methodologies used by other international organizations, and looked forward to discussion of those and other issues in informal consultations.

72. **Mr. Yamada** (Japan), said that his delegation agreed with the view expressed by the Advisory Committee in its report regarding the second performance report on the programme budget for the biennium 2008-2009 that more realistic assumptions about vacancy rates should be made in order to avoid overbudgeting. He hoped that the Secretariat would address the issue of post incumbency in order to ensure more efficient use of resources.

The meeting rose at 12.10 p.m.

United Nations A/C.5/64/SR.21

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Chairman: Mr. Maurer ..... (Switzerland)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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The meeting was called to order at 10.15 a.m.

Agenda item 132: Proposed programme budget for the biennium 2010-2011 (*continued*)

Safety and security (A/64/6 (Sect. 34)/Add.1, A/64/7/Add.15 and Corr.1, A/64/7/Add.16 and A/64/532; A/C.5/64/10)

1. **Mr. Yamazaki** (Controller), introducing an addendum to section 34, Safety and security, of the proposed programme budget for the biennium 2010-2011 (A/64/6 (Sect. 34)/Add.1) and the report of the Secretary-General on revised estimates relating to the proposed programme budget and the budget for the International Criminal Tribunal for Rwanda related to a strengthened and unified security management system for the United Nations (A/64/532), recalled that the Secretary-General had appointed an independent panel to establish the facts concerning the attack on the United Nations offices in Algiers on 11 December 2007 and to address strategic issues vital to the delivery and enhancement of staff security for United Nations operations around the world.

2. The panel had recommended that the Under-Secretary-General for Safety and Security should conduct a management review of the Department of Safety and Security. The panel had also noted that the Department would require additional human and financial resources, but that their level and allocation should be determined following the management review.

3. With the completion of the two reviews in 2009, a significant number of measures had been identified for strengthening security, and related resource proposals had been incorporated in the two reports that were before the Committee for consideration in the context of the proposed programme budget of the United Nations for the biennium 2010-2011 and the budget for the International Criminal Tribunal for Rwanda.

4. The addendum (A/64/6 (Sect. 34)/Add.1) included the resource requirements related solely to the proposals for the Department of Safety and Security, while the Secretary-General's report on a strengthened and unified security management system (A/64/532) updated the revised estimates of resource requirements that had been set out in his previous report on the same subject (A/63/605) and contained proposals for strengthening security for other departments and entities not covered under section 34.

5. The resource requirements for the Department of Safety and Security were included in two budgets: the regular budget for Headquarters and offices away from Headquarters and the budget that was jointly financed by participating agencies, funds and programmes in Vienna and the field.

6. The overall resources required for the biennium 2010-2011 under section 34, including the United Nations share in the jointly financed safety and security costs, amounted to $247,113,900 before recosting, reflecting an increase of $39,188,000 against the revised appropriation for the biennium 2008-2009. That growth was the result of the additional resources recommended under the management review and the delayed impact of the additional seven posts approved in the biennium 2008-2009 for crisis management.

7. The overall resources required for the gross jointly financed budget for the biennium 2010-2011 amounted to $260,959,500 before recosting, reflecting an increase of $37,513,000 that encompassed increases in the gross budget for the Security and Safety Service in Vienna ($1,743,500) and in the field operation and related requirements of the Department both at Headquarters and in the field ($35,769,500). The delayed impact of the proposed new posts for the biennium 2012-2013 for the gross jointly financed budget was estimated at $20,247,800.

8. In total, 395 new posts were proposed for strengthening security at Headquarters, offices away from Headquarters and in the field, with 243 posts under the regular budget and 152 posts under the jointly financed budget. The proposed programme budget for the biennium 2010-2011 also made provision for an increase in non-post requirements to support those new posts.

9. The proposals contained in the report on a strengthened and unified security management system for the United Nations (A/64/532) gave rise to estimated resource requirements of $43,633,000 under the regular budget for the biennium 2010-2011, $4,170,200 under the jointly financed security budget for the four Vienna-based international organizations and $1,878,700 under the budget for the International Criminal Tribunal for Rwanda. The delayed impact of the proposals for the biennium 2012-2013 was estimated at $2,341,800. In total, 36 new posts were

proposed: 28 under the regular budget, 2 under the jointly financed security budget for Vienna and 6 under the budget for the International Criminal Tribunal for Rwanda.

10. **Mr. Starr** (Under-Secretary-General for Safety and Security) said that, based on the recommendation of the independent panel appointed by the Secretary-General, the Department of Safety and Security had undertaken a comprehensive management review. It had concluded that it should develop a strategic vision that would allow it to address new threat paradigms while enabling the delivery of essential United Nations programmes.

11. The proposals contained in the addendum to the proposed programme budget (A/64/6 (Sect. 34)/Add.1), which took into account the current economic climate and budgetary constraints, would enable the Department to better respond to the challenges currently facing the Organization and fulfil its mandate responsibly and effectively. In formulating its proposal, the Department had sought to ensure that most of the additional resources would be designated for the field and that there would be only a modest increase in the number of staff at Headquarters.

12. Recalling that the Department's budget had remained relatively unchanged since its establishment in 2005, he said that the proposed budget would help address problems in vital areas such as threat and risk analysis and information management. It also called for the deployment of adequate numbers of security personnel in the field, additional staffing for the uniformed and close protection services and measures to enhance security training and human resources management.

13. The additional resource requirements proposed for the provision of security to staff and facilities in high-threat locations, which were outlined in a letter dated 9 December 2009 from the Secretary-General addressed to the President of the General Assembly and subsequently transmitted to the Chairman of the Committee (A/C.5/64/10), were contingent on approval of the Department's proposed budget for the biennium 2010-2011.

14. Although he understood Member States' concerns regarding those additional resource requirements, the Department needed all of the resources it had requested in order to be able to provide security to staff and premises in high-risk locations. Without a properly resourced budget, the Department would be unable to support or staff key projects and plan a rational response to the unprecedented security challenges facing the United Nations. Any delay in strengthening security measures increased the possibility that a staff member might be killed or injured.

15. The United Nations System Chief Executives Board for Coordination had recently reiterated the need for Member States to acknowledge the increased funding requirements in support of programme delivery and expressed support for the Department's vision for a strengthened security management system, including the additional resource requirements which the Committee was being asked to endorse.

16. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related reports of the Advisory Committee (A/64/7/Add.15 and Corr.1 and A/64/7/Add.16), said that, with regard to section 34 of the proposed programme budget, the Advisory Committee noted that the overall regular budget resources required, including the United Nations share of the jointly financed safety and security costs, amounted to $247,113,900 before recosting, reflecting an increase of $39,188,000 over the appropriation for the biennium 2008-2009. The Committee further noted that the full budget request for that section amounted to $449,566,500 before recosting, reflecting an increase of $67,227,800 over the appropriation for the biennium 2008-2009.

17. Subject to the recommendations set out in its report, the Advisory Committee recommended that the General Assembly should approve the Secretary-General's proposals. The Advisory Committee estimated that its recommendations would result in net reductions of $11,600,000 under the regular budget and $11,600,000 under the gross budget for jointly financed activities.

18. The Advisory Committee's report also contained comments and observations on issues arising from the management review of the Department of Safety and Security and on the review's relationship to the budget proposals submitted by the Secretary-General. The Advisory Committee welcomed the management review's focus on the role of the Department as a facilitator of the Organization's work on the ground and on the selective reinforcement of key enabling functions, as well as the emphasis on the development

of the Department as a central, lean, transparent and efficient organization. It further noted that the management review advocated an evolutionary approach to the Department's development and thus did not propose any substantial changes to its established organizational structure.

19. Although the management review had identified weaknesses in the Department and put forward a number of suggestions designed to remedy them, those proposals and the related resource requirements were works in progress, requiring further thought and development. In addition, a number of important issues that had been raised by the independent panel, including managerial responsibility for and organizational leadership of safety and security, the public image of the United Nations and its implications for security, and the proposed replacement of the current security phase system, had not been addressed in the review. The Advisory Committee had therefore adopted a prudent approach in formulating its recommendations on section 34. Moreover, efforts to strengthen the Department should focus not only on expanding capacity but also on enhancing the quality of existing capacity. The Advisory Committee recommended that the Secretary-General should submit a detailed update on progress made in strengthening the Department as part of the first performance report.

20. With regard to the proposed staffing levels for 2010-2011, the Secretary-General proposed the creation of 243 new posts under the regular budget, the reclassification of one post from the D-2 to the Assistant Secretary-General level and the conversion of 113 temporary posts to established posts. Under the gross budget for jointly financed activities, a total of 152 new posts were sought, as well as two upward reclassifications, one redeployment and the conversion of 25 temporary posts to established posts.

21. Broadly speaking, the Advisory Committee advocated an incremental approach to the staffing of the Department and welcomed, in particular, the Secretary-General's focus on strengthening capacity in the field. The Committee's recommendations were based, inter alia, on its recognition of the importance of providing adequate security and safety services at headquarters locations and at the regional commissions, as well as on its understanding that, since information was the single most important commodity needed to provide security for modern global field operations, there was a need both to strengthen threat and risk assessment capacity and to develop a comprehensive information management strategy. With regard to the Secretary-General's proposal to establish, on a pilot basis, a regional technical support team in Nairobi, the Advisory Committee recommended that a limited number of positions should be funded through general temporary assistance pending a review of the project.

22. The Advisory Committee's report also contained comments and observations on other matters relating to the Department of Safety and Security and its operations, including the need to develop standardized guidelines for determining the security presence needed in a given location and to streamline existing structures for crisis management. With regard to the responsibility of host Governments, while the Advisory Committee acknowledged that not all host countries could provide the same level of security support to the Organization, it nevertheless believed that their role in that area should not be overlooked. The Department should therefore take steps to enhance cooperation and collaboration with national and/or local law enforcement agencies in all locations and report on progress achieved in the context of section 34 of the proposed programme budget for the biennium 2012-2013.

23. Given that the Secretary-General had expressed his intention, in his letter of 9 December 2009 (A/C.5/64/10), to use the Department's budget for the biennium 2010-2011 to meet critical safety and security needs in high-threat locations as they might arise, the Advisory Committee expected that information on the utilization of those resources would be submitted at the appropriate time.

24. Turning to the Advisory Committee's report on a strengthened and unified security management system for the United Nations (A/64/7/Add.15), which concerned the revised estimates under various sections of the proposed programme budget for 2010-2011 as well as the budget for the International Criminal Tribunal for Rwanda, she said that the Advisory Committee noted that phase I of the standardized access control project (PACT I) had been fully implemented at all locations except the Economic Commission for Africa (ECA), the Economic and Social Commission for Western Asia (ESCWA) and the International Tribunal for the Former Yugoslavia; in the Tribunal's case, the project would be discontinued in view of the Tribunal's impending closure.

25. Additional requirements for 2010-2011 for phase II of the project (PACT II) amounted to $45,347,000, comprising $40,250,300 under the regular budget, $3,218,000 for the Vienna-based organizations, to be funded on a cost-sharing basis, and $1,878,700 for the International Criminal Tribunal for Rwanda. A total of 20 posts were proposed: 16 for information technology functions and 4 additional security officers for the International Criminal Tribunal for Rwanda. In that connection, the Advisory Committee noted that resources for 38 additional security staff required to strengthen capacity as a result of the implementation of PACT I were proposed under section 34 of the proposed programme budget for the biennium 2010-2011.

26. The Advisory Committee was of the view that additional security enhancements should be prioritized and introduced in a phased manner, and therefore recommended that, during the upcoming biennium, PACT II should be implemented only at ECA, ESCWA and the United Nations Office at Nairobi. The requirements for PACT II at the remaining duty stations should be reviewed during 2010-2011, taking into account the lessons learned and experience acquired during the initial implementation. In addition, since the Advisory Committee was not convinced that it was indispensable to provide real-time video connectivity between Headquarters and other major duty stations, the implementation of that functionality should also be reviewed during the upcoming biennium.

27. The Advisory Committee recommended that the summary of post and non-post requirements for 2010-2011 should be adjusted to take account of its recommendations and then provided to the General Assembly at the time of its consideration of the item. The Committee further recommended that any posts approved should be funded through general temporary assistance.

28. In its previous report on the subject (A/63/769), the Advisory Committee had expressed the view that the strengthening of security arrangements for the United Nations should be addressed in an integrated manner. It therefore considered that the further development of the access control system should be seen as an integral part of the safety and security policy framework of the United Nations. In future, resource requirements for access control should be addressed in the context of the strengthening of the security management system requested by the General Assembly in its resolution 61/263.

29. With regard to additional security requirements unrelated to the PACT projects, the Advisory Committee recommended approval of the resources proposed to augment the capacity of the close protection team at the Office of the United Nations Special Coordinator for the Middle East Peace Process, as well as the resources intended to provide for strengthened security at United Nations information centres. However, the Advisory Committee did not recommend approval of the resources requested for four additional international security officers at the United Nations Truce Supervision Organization until the necessary weapons authorizations were granted by the host country. At the International Court of Justice, the approval of one of the four posts proposed was recommended.

30. **Mr. Råsbrant** (Sweden), speaking on behalf of the European Union; the candidate countries Croatia and the former Yugoslav Republic of Macedonia, the stabilization and association process countries Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Armenia, the Republic of Moldova and Ukraine, said that United Nations staff members were increasingly exposed to risk as a result of the unprecedented increase in the Organization's operations around the world. The United Nations must therefore take action to effectively protect its staff and premises.

31. Although his delegation regretted the delay in discussing the question of the safety and security of United Nations personnel, which had been on the Committee's agenda since the sixty-third session of the General Assembly, it nonetheless welcomed the Secretary-General's revised proposals in that regard and looked forward to discussing those proposals and the related recommendations of the Advisory Committee.

32. **Ms. Pepin-Hallé** (Canada), speaking also on behalf of Australia and New Zealand, said that, as Member States continued to ask the Organization to operate in volatile settings, it was their collective duty to ensure the safety and security of United Nations staff members and associated personnel. While it was the responsibility of the Secretary-General to ensure the safety of staff members, it was the obligation of

Member States to ensure that the necessary resources were made available.

33. The creation of the Department of Safety and Security had been an important first step in ensuring that a systematic, professional approach to staff safety and security was in place. However, providing adequate security required the Organization to increase internal coordination, gain a better understanding of the environments in which it operated and standardize capabilities throughout the United Nations system.

34. In its resolution 61/263, the General Assembly had emphasized the need for a comprehensive safety and security policy framework at the United Nations. Although the management review and the Secretary-General's report were important pieces of that framework, a number of other important pieces were still missing. The three delegations were concerned about the late submission of both the management review findings and the Secretary-General's report, as well as the piecemeal approach to the completion of the framework. However, they welcomed the promptness with which the Under-Secretary-General for Safety and Security had conducted the management review.

35. She welcomed the Secretary-General's proposed strategic vision for safety and security, which would enable the Department of Safety and Security to establish effective leadership within the United Nations system, particularly with regard to operational support of the Organization's security management system. The delegations agreed with the Advisory Committee that the work under way on PACT II should be continued, with priority given to implementation in the field. Strengthening threat and risk assessment as well as analytical capabilities were also vital to providing effective security for United Nations staff.

36. **Mr. Gubler** (Switzerland), speaking also on behalf of Liechtenstein, said it was Member States' duty to minimize the risks to which United Nations staff were exposed and to increase their safety and security. Unfortunately, the Committee was not being given sufficient time to address the issue. The two delegations had hoped to discuss the links between the different proposals and to learn more about the effects that the proposed strengthening measures could have on the assignment of tasks, lines of responsibility and accountability, within both the Department of Safety and Security and the United Nations system.

37. However, owing to the lack of time and in view of the urgent need to strengthen safety and security, the two delegations would adopt a pragmatic approach and strive to reach a consensus on the question prior to the conclusion of the main part of the General Assembly's sixty-fourth session. Any further delay in addressing such an important question would be irresponsible and send the wrong message to United Nations staff members. Both delegations stood ready to endorse the recommendations of the Advisory Committee as the basis for consensus.

38. **Mr. Melrose** (United States of America) said that his Government was committed to ensuring that United Nations staff members were given the protection they needed as they provided vital humanitarian assistance and coordinated the Organization's development initiatives.

39. Although his delegation welcomed the efforts of the Under-Secretary-General for Safety and Security to balance urgent security needs with new management priorities, it was concerned that the budget presented did not directly address questions related to managerial responsibility. He trusted that future reports would present a more comprehensive managerial assessment.

40. His delegation supported the Advisory Committee's recommendations on the PACT projects, which called for a phased approach to their execution. That would allow the Organization to review the projects during their implementation and take the lessons learned into account. His delegation also agreed with the Advisory Committee that greater effort should have been made to prioritize the requirements of the PACT projects; the proposals related to the strengthening of the security management system were complex and their financial implications were substantial. The Department of Safety and Security should take advantage of technological developments to the greatest extent possible and also take such developments into account when making future requests for human resources.

41. His delegation also supported the ad hoc arrangement proposed by the Secretary-General under which $7,866,700 out of the budget for the United Nations Assistance Mission in Afghanistan (UNAMA) would be used to enhance security for United Nations personnel in Afghanistan, as well as the proposal to utilize the proposed budget of the Department of Safety and Security for the biennium 2010-2011 to

meet needs in other extremely high-threat locations. He looked forward to receiving the Secretary-General's formal funding proposal at the first part of the resumed sixty-fourth session of the General Assembly.

42. **Mr. Sial** (Pakistan) said that while primary responsibility for ensuring the safety and security of United Nations staff and premises rested with the host country, it was imperative for the Organization and host countries to work together in order to achieve that goal. The United Nations must also revamp its safety standards and train its safety personnel to mitigate risk. While the efforts of the Department of Safety and Security to strengthen the Organization's security management system were welcome, frugal use must be made of the meagre resources available.

43. His delegation supported the Secretary-General's request for additional resources to provide security for United Nations personnel working in high-threat locations and agreed with the Advisory Committee's emphasis on the primary role of the General Assembly in defining the mandate and policies governing the activities of the Department of Safety and Security.

44. The timely submission of documents was vital to the Committee's consideration of all budget proposals, including those related to safety and security.

45. **Mr. Park** In-kook (Republic of Korea), recalling that United Nations staff members were increasingly targeted by horrific acts of violence, said that his delegation supported the Secretary-General's proposals, which reflected the recommendations of the independent panel and the outcome of the comprehensive management review undertaken by the Department of Safety and Security.

46. **Mr. Yamada** (Japan) said that, although the safety and security of United Nations staff members was paramount, the proposed budget for the Department of Safety and Security must be examined with the same prudence as the rest of the proposed programme budget. His delegation had expressed strong reservations about the budget that had originally been proposed by the Secretary-General (A/63/605) at the sixty-third session of the General Assembly, outside the regular budget cycle.

47. Recalling that the Advisory Committee's report on section 34 pointed out a number of shortcomings in the proposed budget, his delegation wished to emphasize that the proposals concerning PACT II were particularly problematic. His delegation also regretted that the Committee had not been given sufficient time to study the proposed budget owing to the late submission of the relevant reports.

48. In view of the challenging circumstances under which it was being asked to address the proposed budget for the Department of Safety and Security, the Committee should base its discussions on the proposals set out in the Secretary-General's letter of 9 December 2009 (A/C.5/64/10). In that letter, the Secretary-General stated that he intended to use the Department's budget for the biennium 2010-2011 to meet critical needs in other extremely high-threat locations. His delegation supported that approach in principle and urged other delegations to do the same.

49. In the interest of budgetary discipline, the resources approved by the Committee for section 34 and PACT II should be kept below the level recommended by the Advisory Committee. His delegation agreed with the Advisory Committee that any posts approved should be established on a temporary basis, to expire at the end of the biennium 2010-2011 unless specifically reauthorized by the General Assembly in the context of the proposed programme budget for the biennium 2012-2013.

50. The Secretary-General was called on to report annually to the General Assembly, beginning with its sixty-fifth session, on progress made in implementing the proposals aimed at strengthening the Department of Safety and Security.

51. **Mr. Starr** (Under-Secretary-General for Safety and Security) said that he took personal responsibility for the late issuance of the Secretary-General's report. It had been necessary to complete the comprehensive management review and develop a strategic vision for the Department prior to the formulation of the proposed budget.

52. **Mr. Dahmane** (Algeria) said that his delegation supported the proposed programme budget for the Department of Safety and Security and looked forward to receiving further updates from the Secretariat regarding the comprehensive management review and the status of safety and security throughout the United Nations system at the first part of the resumed sixty-fourth session of the General Assembly.

Limited budgetary discretion (A/64/7/Add.18 and A/64/562)

53. **Mr. Yamazaki** (Controller), introducing the report of the Secretary-General on limited budgetary discretion (A/64/562), said that the report had been prepared in response to General Assembly resolution 60/283, in which the Secretary-General had been requested to report on the lessons learned from the experiment with limited budgetary discretion in the biennium 2006-2007 and 2008-2009. Specifically, the Secretary-General had been authorized to enter into commitments of up to $20 million in each biennium for post and non-post requirements for the purpose of meeting the evolving needs of the Organization in implementing its mandated programmes and activities.

54. After analysing the experience over the bienniums 2006-2007 and 2008-2009, the Secretary-General had concluded that he should continue to be able to exercise limited budgetary discretion and proposed that the General Assembly should decide to continue it as an established procedure, with the three modifications described in paragraphs 17-20 of the report.

55. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/64/7/Add.18), said that the Secretary-General's report did not adequately respond to the request contained in General Assembly resolution 60/283, nor did it provide sufficient information to support his request that limited budgetary discretion should be continued as an established procedure.

56. Nonetheless, the Advisory Committee did not object to the continuation of the current arrangements for the exercise of limited discretionary authority by the Secretary-General for the biennium 2010-2011. The Advisory Committee recommended that the Secretary-General should be requested to submit a comprehensive report to the General Assembly at its sixty-sixth session that fully addressed all the requests made in resolution 60/283.

57. **Mr. Shin** Boo-nam (Republic of Korea) recalled that, during the bienniums 2006-2007 and 2008-2009, the Secretary-General had exercised his limited budgetary discretion primarily to meet management requirements such as influenza pandemic preparedness, fire code compliance in the Secretariat Building and the enterprise resource planning system.

58. His delegation saw merit in continuing limited budgetary discretion as an established practice and hoped that it would be utilized in a manner that would have a positive impact on all sections of the budget. With respect to increasing the commitment level, his Government was of the view that the Secretariat should have the capacity to mobilize resources in order to address urgent, unforeseen needs. Although the Secretary-General had not fully utilized the authorized commitment during the experimental period, his delegation nonetheless supported the request for an increase in the commitment level, provided that a framework designed to ensure greater accountability and transparency was put into place.

59. The resources redeployed by the Secretary-General in exercise of his limited budgetary discretion must be drawn from areas of the budget that were not crucial to the Organization's work. Any redeployment of resources should be carefully assessed in order to ensure that it would not adversely affect mandated programmes and activities.

60. **Ms. Sánchez Lorenzo** (Cuba) said that her delegation wished to voice its displeasure at the late submission of the Secretary-General's report, which showed that the Member States' repeated requests to the Secretariat to improve its working methods and submit reports on time had gone unheeded. The report itself was needlessly repetitive and the Secretariat was advised to express its ideas in a more concise and direct manner in the future.

61. The Secretary-General had been granted limited budgetary discretion on the assumption that the activities funded would be offset by savings identified and attained, including through the efficient use and assignment of resources, within the authorized appropriation level. Her delegation noted with concern that the Secretariat had achieved those savings by borrowing resources allocated to posts, which was worrying in view of the Organization's difficulties in filling the large number of vacancies.

62. In particular, the Secretary-General had used his discretion to borrow $1,308,100 from posts under section 17, Economic and social development in Africa; section 18, Economic and social development in Asia; section 20, Economic and social development in Latin America and the Caribbean; section 21,

Economic and social development in Western Asia; and section 28F, Administration, Vienna. Member States should pay close attention to the number of vacant posts under those sections of the programme budget, which concerned programmes for developing countries.

63. Her delegation agreed with the Advisory Committee's assessment that only one of the four points on which the General Assembly had requested information, namely the utilization of the experiment to date, had been fully addressed in the report of the Secretary-General. The report did not address the implications of the experiment for human resources management policies and the Financial Regulations and Rules, its impact on programme delivery and the priorities of the Organization, or the criteria used by the Secretary-General to define the evolving needs of the Organization. Her delegation also supported the Advisory Committee's recommendation that the current arrangements for the exercise of limited discretionary authority by the Secretary-General should be continued for the biennium 2010-2011.

64. However, her delegation had serious reservations about continuing the experiment along the lines on which it had been conducted in the bienniums 2006-2007 and 2008-2009. There was no need to increase the amount of commitment authority because the Secretary-General had not fully utilized the level authorized during the experimental period.

65. Other mechanisms existed to fund activities that had not been provided for in the programme budget, including those provided for in General Assembly resolutions 62/239 and 41/213; transfers between appropriations, in accordance with financial regulation 5.6 and financial rule 105.1; and commitments against appropriations for future financial periods, in accordance with financial regulation 5.7 and financial rule 105.2.

66. Any increase in the amount of discretionary authority granted to the Secretary-General must be accompanied by a thorough analysis of the accountability mechanisms. Her delegation would follow with interest the Committee's discussion of the matter.

67. **Mr. Rosales Díaz** (Nicaragua) said that, owing to the late submission of the Secretary-General's report, the Committee was being asked to take a decision that had significant financial implications without being given sufficient time for discussion.

68. The late submission was neither acceptable nor understandable because when the General Assembly had authorized the experiment the Secretariat had been well aware that it would have to report at the Assembly's current session. In addition, the Secretary-General had stressed the importance of limited budgetary discretion in numerous discussions outside the context of the Committee. The Secretariat's tardiness therefore demonstrated its lack of consideration for the General Assembly.

69. In view of the Secretariat's disregard of the General Assembly's prerogatives, it was impossible to discuss the limited budgetary discretion without also discussing the need for the Secretariat to be more accountable to the Assembly.

Programme budget implications of draft resolution A/C.3/64/L.36: Situation of human rights in Myanmar (A/C.5/64/9)

Programme budget implications of draft resolution A/64/L.27: Institutionalization of the Counter-Terrorism Implementation Task Force (A/64/7/Add.17; A/C.5/64/11)

Programme budget implications of draft resolution A/C.2/64/L.64: Preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption (A/C.5/64/12)

Programme budget implications of draft resolution A/C.2/64/L.59: Implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development (A/C.5/64/13)

70. **Mr. Yamazaki** (Controller) introduced four statements of programme budget implications submitted in accordance with rule 153 of the rules of procedure of the General Assembly.

71. Draft resolution A/C.3/64/L.36 on the situation of human rights in Myanmar (A/C.5/64/9) requested the Secretary-General to continue to support human rights, the transition to democracy and the national reconciliation process in Myanmar, to offer technical assistance in that regard, and to enable the Special Adviser to the Secretary-General on Myanmar and the

Special Rapporteur on the situation of human rights in Myanmar to discharge their mandates fully and effectively and in a coordinated manner.

72. The estimated costs of continuing the Secretary-General's good offices to facilitate the process of national reconciliation and democratization through his Special Adviser amounted to $1,159,100 net. Technical assistance to the Government of Myanmar, if requested, would be accommodated within the technical cooperation activities of the Office of the United Nations High Commissioner for Human Rights. No additional resources were being requested for the activities of the Special Rapporteur.

73. Should the General Assembly adopt draft resolution A/C.3/64/L.36, additional requirements amounting to $1,281,600 gross ($1,159,100 net) would be required under section 3, Political affairs, of the proposed programme budget for 2010-2011 for the continuation of the Secretary-General's good offices relating to the situation in Myanmar.

74. Approval for those resource requirements was being sought in the context of the report of the Secretary-General on estimates in respect of special political missions, good offices and other political initiatives authorized by the General Assembly and/or the Security Council (A/64/349/Add.1).

75. Draft resolution A/64/L.27 on institutionalization of the Counter-Terrorism Implementation Task Force (A/C.5/64/11) requested the Secretary-General to provide the necessary resources to finalize the institutionalization of the Counter-Terrorism Implementation Task Force without delay in order to ensure overall coordination and coherence in the counter-terrorism efforts of the United Nations system.

76. For the biennium 2010-2011, a total of six posts were required to carry out the core secretariat functions of the Task Force office: Director of the Office (D-2), Senior Political Affairs Officer (P-5), Political Affairs Officer (P-4), Political Affairs Officer (P-3), Programme Assistant (GS (OL)) and Administrative Assistant (GS (OL)). The cost of establishing the six posts would amount to $1,088,400.

77. In addition to the post resources, the office would require resources for official travel, programme consultation, coordination and outreach at the regional level ($244,600), publications for outreach and information-sharing (such as regular updates of the Task Force website) ($23,600) and hospitality ($1,000); it would also require $421,300 for operational costs such as office accommodation, commercial communications, supplies, furniture and equipment related to the establishment of the six posts.

78. Should the General Assembly adopt draft resolution A/64/L.27, additional requirements amounting to $1,949,900 gross ($1,778,700 net), after recosting, would be required under section 3, Political affairs, and section 28D, Office of Central Support Services, of the proposed programme budget for the biennium 2010-2011. That amount would represent a charge against the contingency fund.

79. Draft resolution A/C.2/64/L.64 on preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption (A/C.5/64/12) requested the Secretary-General to continue to provide the United Nations Office on Drugs and Crime (UNODC) with the resources necessary to enable it to promote the implementation of the United Nations Convention against Corruption and to discharge its functions as the secretariat of the Conference of the States Parties to the Convention. It also requested the Secretary-General to ensure that the new mechanism for the review of implementation of the Convention was adequately funded.

80. Out of the overall requirement of 14 posts, 5 would be accommodated from the existing capacity of the Corruption and Economic Crime Section. The conference servicing requirements of the Implementation Review Group would be met through the provision already included under section 2, General Assembly and Economic and Social Council affairs and conference management, of the proposed programme budget for the biennium 2010-2011. Operational requirements such as individual country review, travel and daily subsistence allowance for representatives of least developed countries, training and general operational expenses would be funded from voluntary contributions.

81. Should the General Assembly adopt draft resolution A/C.2/64/L.64, additional resources amounting to $1,689,300 gross ($1,460,000 net), after recosting, would be required under section 16, International drug control, crime and terrorism prevention and criminal justice, and section 28F, Administration, Vienna, of the proposed programme budget for the biennium 2010-2011. That

amount would represent a charge against the contingency fund.

82. In accordance with draft resolution A/C.2/64/L.59 on the implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development (A/C.5/64/13), the General Assembly would decide to organize, in 2012, the United Nations Conference on Sustainable Development, to be hosted by the Government of Brazil, and would decide that the first meeting of the Preparatory Committee should be held in 2010 for three days, the second meeting in 2011 for two days, and the third and final meeting in 2012 for three days.

83. The requirements related to the United Nations Conference on Sustainable Development and the third and final meeting of the Preparatory Committee, to be held in Brazil in 2012, would be dealt with in the context of the proposed programme budget for the biennium 2012-2013, while the Government of Brazil would defray the actual additional costs directly or indirectly involved in accordance with General Assembly resolution 40/243.

84. Additional requirements of $976,500 would arise in relation to conference services and other conference support services for the first and second meetings of the Preparatory Committee under the proposed programme budget for the biennium 2010-2011. The Secretariat had sought to identify areas from which resources could be redeployed to meet the additional requirements. It was considered that a total amount of $460,400 could be absorbed.

85. Should the General Assembly adopt draft resolution A/C.2/64/L.59, additional resources amounting to $516,100 would be required under section 2 of the proposed programme budget for the biennium 2010-2011. That would represent a charge against the contingency fund and, as such, would require appropriation for the biennium.

86. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced the related four reports of the Advisory Committee covering the period from 1 January to 31 December 2010.

87. Regarding the statement of programme budget implications of draft resolution A/C.3/64/L.36, concerning the situation of human rights in Myanmar, the Advisory Committee recommended that the Committee should inform the General Assembly that, should it adopt draft resolution A/C.3/64/L.36, additional requirements amounting to $1,281,600 gross ($1,159,100 net) had been included in the Secretary-General's report on estimates in respect of special political missions, good offices and other political initiatives authorized by the General Assembly and/or the Security Council (A/64/349/Add.1) and would be charged under section 3 of the proposed programme budget for the biennium 2010-2011.

88. Concerning the statement of programme budget implications of draft resolution A/64/L.27, the Advisory Committee was of the view that the resources requested for hospitality should be accommodated within the overall level of resources provided in the proposed programme budget for the Department of Political Affairs. It was also of the view that the Task Force should exercise a high degree of prudence in the use of resources related to official travel.

89. The Advisory Committee recommended that the Committee should inform the General Assembly that, should it adopt draft resolution A/64/L.27, an additional appropriation of $1,949,900 gross ($1,778,700 net) would be required under section 3 and section 28D of the proposed programme budget for the biennium 2010-2011. That would represent a charge against the contingency fund and, as such, would require appropriation for the biennium.

90. With respect to the resources requested for posts under draft resolution A/C.2/64/L.64, the Advisory Committee noted that, while the Secretary-General estimated that 14 posts would be required to perform the tasks outlined in the draft resolution, approximately 30 per cent of those tasks could be performed by the current staff of the Corruption and Economic Crime Section. A total of nine additional posts would be required to implement the review mechanism, at a cost, inclusive of related general operating expenses, of $1,689,300. The Secretary-General had indicated that there were no other resources provided under the proposed programme budget for 2010-2011 that could be made available for that activity.

91. Upon request, the Advisory Committee had been provided with a description of the functions of the proposed new posts, as well as an organizational chart illustrating their location and the resulting modifications to the structure of the Division of Treaty

Affairs at UNODC. That information would be provided to the General Assembly when it considered that item.

92. The Advisory Committee further noted that $789,000 of the total estimated requirements of $1,248,000 for one annual session of the Implementation Review Group related to translation and interpretation services. Provision had already been made for that amount under section 2 of the proposed programme budget for the biennium 2010-2011.

93. Since the remainder of the resources would, for the time being, be met through voluntary funding, the Advisory Committee noted that, as indicated in the Secretary-General's statement (A/C.5/64/12), the overall impact of the proposals would amount to additional requirements of $1,689,300 gross ($1,460,000 net), after recosting.

94. The Advisory Committee therefore recommended that the Committee should inform the General Assembly that, should it adopt draft resolution A/C.2/64/L.64, additional resources amounting to $1,689,300 gross ($1,460,000 net), after recosting, would be required under section 16 and section 28F of the proposed programme budget for the biennium 2010-2011. That would represent a charge against the contingency fund and, as such, would require appropriation for the biennium.

95. With respect to draft resolution A/C.2/64/L.59, the Advisory Committee noted that, as indicated in the Secretary-General's statement (A/C.5/64/13), the United Nations Conference on Sustainable Development and the third and final meeting of the Preparatory Committee, both to be held in Brazil in 2012, would be included in the draft biennial calendar of conferences and meetings for 2012-2013 as soon as dates and modalities were determined; the related resource requirements would be considered in the context of the proposed programme budget for the biennium 2012-2013. It also noted that the Government of Brazil would reimburse to the United Nations the actual additional costs directly or indirectly involved as a result of the change of venue. The Committee further noted that it was considered that the requirements for servicing regional preparatory meetings would be met from within existing resources under provisions foreseen for the regional commissions, as reflected in the proposed programme budget for the biennium 2010-2011.

96. However, conference services and other conference support services would be required in connection with the first and second meetings of the Preparatory Committee, as those had not been planned for in the draft biennial calendar of conferences and meetings of the United Nations for 2010 and 2011, nor had provision been made for them in the proposed programme budget for 2010-2011. As stated by the Secretary-General, the related additional requirements under section 2 would amount to $976,500.

97. The Secretary-General had indicated that an amount of $460,400, relating to requirements for meeting services and other related conference support services and requirements for processing pre-session and post-session documents, could be absorbed as proposed in his statement (A/C.5/64/13).

98. The Advisory Committee recommended that the Committee should inform the General Assembly that, should it adopt draft resolution A/C.2/64/L.59, an additional appropriation of $516,100 would be required under section 2 of the proposed programme budget for the biennium 2010-2011. Under the procedures established by the General Assembly in its resolutions 41/213 and 42/211, those provisions would represent a charge against the contingency fund.

99. **Mr. Dahmane** (Algeria) said that his Government attached the highest importance to combating terrorism, as demonstrated by his delegation's active role in the negotiations that had led to the adoption of the United Nations Global Counter-Terrorism Strategy. While his delegation welcomed the role of that strategy in combating terrorism worldwide, its effectiveness also required the institutionalization of the Counter-Terrorism Implementation Task Force and the provision of all necessary financial and other resources to enable the Task Force to fulfil its mandate. His delegation would support the provision of all such resources intended for that purpose.

Agenda item 135: Pattern of conferences (*continued*) (A/C.5/64/L.10)

Draft resolution A/C.5/64/L.10: Pattern of conferences

100. *Draft resolution A/C.5/64/L.10 was adopted.*

Agenda item 139: United Nations common system (*continued*) (A/C.5/64/L.12)

Draft resolution A/C.5/64/L.12: United Nations common system: report of the International Civil Service Commission for 2009

101. **Mr. Chumakov** (Russian Federation), speaking in explanation of position, said that his delegation supported draft resolution A/C.5/64/L.12 as submitted to the Committee. However, he wished to place on record his delegation's comments with regard to section B, paragraph 1 (3), of the draft resolution, in which the General Assembly requested the International Civil Service Commission to review the application of the termination indemnity. As the General Assembly had already approved a termination indemnity schedule, any request for a review of that schedule was inadmissible in the view of his delegation.

102. However, a number of delegations, including his own, and most particularly that of the United States, had expressed concerns about the application of the termination indemnity schedule. It was therefore his understanding that the agreed text in that paragraph would be adopted only following a statement of clarification by the Chairman. Unfortunately, agreement had not been reached on the language for such a statement. His delegation wished to make its own statement of clarification.

103. In that connection, it wished to emphasize that the General Assembly was not requesting a review of the very concept of the termination indemnity as a whole. The delegations with concerns about the issue simply wished the wording of the resolution to reflect their concern about possible abuses of the termination indemnity by staff with 10 or more years of service.

104. *Draft resolution A/C.5/64/L.12 was adopted.*

Agenda item 142: Administration of justice at the United Nations (*continued*) (A/C.5/64/L.11)

Draft resolution A/C.5/64/L.11: Administration of justice at the United Nations

105. *Draft resolution A/C.5/64/L.11 was adopted.*

The meeting rose at 12.10 p.m.

United Nations A/C.5/64/SR.22

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Fifth Committee

Summary record of the 22nd meeting
Held at Headquarters, New York, on Wednesday, 23 December 2009, at 11 p.m.

Chairman: Mr. Maurer ..... (Switzerland)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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Closure of the work of the Fifth Committee during the main part of the sixty-fourth session of the General Assembly

The meeting was called to order at 1.10 a.m.

Agenda item 132: Proposed programme budget for the biennium 2010-2011 (*continued*)

Revised estimates: effect of changes in rates of exchange and inflation (A/64/7/Add.19 and A/64/576)

Agenda item 143: Financing of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994 (*continued*) (A/64/7/Add.19, A/64/570 and A/C.5/64/L.13)

Agenda item 144: Financing of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991 (*continued*) (A/64/7/Add.19, A/64/570 and A/C.5/64/L.14)

1. **The Chairman** drew the Committee's attention to the reports of the Secretary-General contained in documents A/64/576 and A/64/570, which provided information on the revised estimates arising from the effect of changes in rates of exchange and inflation on the proposed programme budget for the biennium 2010-2011 and on the proposed budgets for the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia, respectively, and to the related report of the Advisory Committee (A/64/7/Add.19).

2. **Mr. Yamazaki** (Controller) said that the reports of the Secretary-General updated the information provided earlier in 2009 to reflect the most recent data on actual inflation, salary surveys, movements in post-adjustment indices in 2009, and the effect of the evolution of operational rates of exchange in 2009 on the proposed programme budget and budgets of the Tribunals for the biennium 2010-2011, and on the relevant addendums and revised estimates. In keeping with past practice, the related recommendations of the Advisory Committee had been taken into account. The amounts in the reports had since been further adjusted in the light of the Advisory Committee recommendations regarding security and the Fifth Committee recommendations regarding the proposed programme budget. The adjustments were reflected in the level of the initial appropriation for the forthcoming biennium to be proposed to the Committee for its consideration at the current meeting.

3. **The Chairman** suggested that the Committee should recommend to the General Assembly that it take note of the revised estimates arising from the effect of changes in rates of exchange and inflation on the proposed programme budget for the biennium 2010-2011 and on the proposed budgets for both the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia for the biennium 2010-2011.

4. *It was so decided.*

Draft resolution A/C.5/64/L.13: Financing of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994

5. *Draft resolution A/C.5/64/L.13 was adopted.*

Draft resolution A/C.5/64/L.14: Financing of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991

6. *Draft resolution A/C.5/64/L.14 was adopted.*

Agenda item 131: Programme budget for the biennium 2008-2009 (*continued*) (A/C.5/64/L.15 and A/C.5/64/L.16)

Draft resolution A/C.5/64/L.15: After-service health insurance

7. *Draft resolution A/C.5/64/L.15 was adopted.*

Draft resolution A/C.5/64/L.16: Programme budget for the biennium 2008-2009: second performance report

8. *Draft resolution A/C.5/64/L.16 was adopted.*

Agenda item 132: Proposed programme budget for the biennium 2010-2011 (*continued*) (A/C.5/64/14, A/C.5/64/L.17, A/C.5/64/L.18, A/C.5/64/L.19, A/C.5/64/L.20, A/C.5/64/L.21, A/C.5/64/L.22 and A/C.5/64/L.23)

Draft decision A/C.5/64/L.17

A: Programme budget implications of draft resolution A/C.3/64/L.36: Situation of human rights in Myanmar

B: Programme budget implications of draft resolution A/64/L.27: Institutionalization of the Counter-Terrorism Implementation Task Force

C: Programme budget implications of draft resolution A/C.2/64/L.64: Preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption

D: Programme budget implications of draft resolution A/C.2/64/L.59: Sustainable development: implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development

9. *Draft decision A/C.5/64/L.17 was adopted.*

Draft resolution A/C.5/64/L.18: Questions related to the proposed programme budget for the biennium 2010-2011

10. **Mr.** Manjeev **Puri** (India), speaking in explanation of position, said that India's commitment to human rights could not be doubted. It was a strong supporter of the human rights pillar of the Organization, and its own constitution gave prominence to promoting and protecting such rights. However, it opposed the current draft resolution's use of the issue of human rights to influence human resources management decisions, which were a strictly administrative and budgetary matter. For those reasons, in the recent informal consultations, his delegation had proposed an amendment to the draft resolution in connection with Part VI. Human rights and humanitarian affairs, Section 23, Human Rights, of the proposed programme budget. In so doing, it wished to ensure that the view expressed by the Advisory Committee in paragraph VI.11 of its related report (A/64/7) was noted, and that the post of head of the New York office of the United Nations High Commissioner for Human Rights remained at the D-2 level rather than being raised, as requested in the proposed programme budget, to the level of Assistant Secretary-General. Such a change was unwarranted by current economic circumstances and the functions associated with the post. In connection with the explanation given in paragraph 23.9 of that section that reclassification of the post would enable the Office of the High Commissioner to participate at the appropriate level in executive decision-making forums, his delegation emphasized that the General Assembly was the primary decision-making forum in the field of human rights, and cautioned against any attempt to undermine that role. Reaffirming his delegation's commitment to multilateralism and its awareness of the extreme time pressure facing the Committee, he said that he would confine himself to explaining India's position on the matter, and would not insist that action be taken on its proposed amendment.

Contingency fund: consolidated statement of programme budget implications and revised estimates (A/C.5/64/14)

11. **Mr. Yamazaki** (Controller), introducing the report of the Secretary-General on the contingency fund: consolidated statement of programme budget implications and revised estimates (A/C.5/64/14), said that, were the Committee to approve all expenditure detailed in the annex to the report, the charge against the contingency fund would be $5,201,000. Accordingly, the Committee should recommend to the General Assembly that it should note that a balance of $31,331,900 would remain in the fund.

12. **The Chairman** suggested that the Committee should recommend to the General Assembly that it note that a balance of $31,331,900 would remain in the contingency fund.

13. *It was so decided.*

Draft report of the Fifth Committee (A/C.5/64/L.23)

14. **The Chairman** drew attention to the draft report of the Fifth Committee, which described the actions taken by the Committee and also contained its recommendations. He invited the Committee to consider the draft resolutions in section IV.

Draft resolution I: Questions relating to the proposed programme budget for the biennium 2010-2011 (A/C.5/64/L.18)

15. **The Chairman** recalled that draft resolution I had been adopted earlier in the meeting.

Draft resolution II: Proposed programme budget for the biennium 2010-2011 (A/C.5/64/L.19)

16. **The Chairman** drew attention to draft resolution II. Section A dealt with budget appropriations for the biennium 2010-2011, section B with income estimates for the biennium 2010-2011, and section C with financing of appropriations for the year 2010.

17. *Draft resolution II was adopted.*

Draft resolution III: Special subjects relating to the programme budget for the biennium 2010-2011 (A/C.5/64/L.20)

18. **Ms. Davidovich** (Israel), referring to the draft resolution's endorsement of the conclusions and recommendations made by the Advisory Committee in its report A/64/7/Add.3 and to the approval of additional requirements connected with the implementation of resolution S-9/1, adopted by the Human Rights Council at its ninth special session, said that her delegation wished to request a recorded vote on section V of that draft resolution. While it valued the consensus-based decision making of the Committee, a professional and technical body, it found itself, as a matter of principle, unable to support any expenditure or allocation of funds, even if already undertaken, that permitted or endorsed the work of any fact-finding mission established with predetermined conclusions.

19. *At the request of the representative of Israel, a recorded vote was taken on section V of draft resolution III.*

In favour:

Afghanistan, Albania, Algeria, Andorra, Angola, Argentina, Armenia, Australia, Austria, Bahamas, Bahrain, Bangladesh, Barbados, Belarus, Belgium, Bosnia and Herzegovina, Brazil, Brunei Darussalam, Bulgaria, Cambodia, Canada, Chile, China, Colombia, Congo, Costa Rica, Croatia, Cuba, Cyprus, Czech Republic, Democratic People's Republic of Korea, Denmark, Djibouti, Dominica, Dominican Republic, Ecuador, Egypt, Estonia, Ethiopia, Finland, France, Gabon, Georgia, Germany, Ghana, Greece, Guyana, Haiti, Hungary, Iceland, India, Indonesia, Iran (Islamic Republic of), Iraq, Ireland, Italy, Jamaica, Japan, Jordan, Kazakhstan, Kenya, Kuwait, Kyrgyzstan, Lao People's Democratic Republic, Latvia, Lebanon, Libyan Arab Jamahiriya, Liechtenstein, Lithuania, Luxembourg, Malawi, Malaysia, Maldives, Mali, Malta, Mauritania, Mauritius, Mexico, Monaco, Mongolia, Montenegro, Morocco, Myanmar, Namibia, Nepal, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Oman, Pakistan, Panama, Peru, Poland, Portugal, Qatar, Republic of Korea, Republic of Moldova, Romania, Russian Federation, Rwanda, Saint Lucia, Saudi Arabia, Senegal, Serbia, Singapore, Slovakia, Slovenia, South Africa, Spain, Sri Lanka, Sudan, Sweden, Switzerland, Syrian Arab Republic, Tajikistan, Thailand, the former Yugoslav Republic of Macedonia, Timor-Leste, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukraine, United Arab Emirates, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, United States of America, Uruguay, Venezuela (Bolivarian Republic of), Viet Nam, Yemen, Zimbabwe.

Against:

Guatemala, Israel.

Abstaining:

Benin, Cameroon, Côte d'Ivoire.

20. *Section V of draft resolution III was adopted by 136 votes to 2, with 3 abstentions.**

21. **Mr. Melrose** (United States of America) said that his delegation's vote in favour of section V of draft resolution III, which allocated funds for many activities which the United States of America supported, in no way indicated a change in its well-known position on the United Nations Fact Finding Mission on the Gaza Conflict, for which funds had already been disbursed, or an endorsement of that Mission's mandate or report.

22. *Draft resolution III as a whole was adopted.*

* The delegation of Guatemala subsequently informed the Committee that it had intended to vote in favour of section V of the draft resolution.

Draft resolution IV: Unforeseen and extraordinary expenses for the biennium 2010-2011 (A/C.5/64/L.21)

23. *Draft resolution IV was adopted.*

Draft resolution V: Working capital fund for the biennium 2010-2011 (A/C.5/64/L.22)

24. *Draft resolution V was adopted.*

25. **The Chairman** invited the Committee to adopt the draft report contained in document A/C.5/64/L.23.

26. *The draft report of the Fifth Committee was adopted.*

Agenda item 136: Scale of assessments for the apportionment of the expenses of the United Nations (*continued*) (A/C.5/64/L.24)

27. **Mr. Chumakov** (Russian Federation) said that, in spite of considerable effort on the part of his and other delegations, it had proven impossible to achieve consensus on the draft resolution in question, which failed to take account the primary concerns of the Russian Federation, Azerbaijan, Belarus, Kazakhstan, Ukraine and other States regarding the application of price-adjusted rates of exchange (PAREs) for the conversion into United States dollars of data expressed in national currencies. The failure to use PAREs, which were an integral part of the existing scale methodology, had led to a considerable upward distortion of the assessments of States whose national currencies had experienced wide fluctuations and undergone substantial revaluation in the period of several preceding years used to calculate the scale.

28. Accordingly, the Russian Federation wished to draw the attention of the Committee to the document containing its draft amendment 1, relating to paragraph 6 of the draft resolution, which established the scale of assessments for the contributions of Member States to the regular budget of the United Nations for 2010, 2011 and 2012. The draft amendment applied the existing methodology in its entirety, including PAREs, and took into account additional considerations put forward in favour of developing countries by the Russian Federation.

29. **Ms. Aitimova** (Kazakhstan) said that her delegation was one of those concerned by the scale of assessments appearing in paragraph 6 of the draft resolution. She found it difficult to understand why the Committee on Contributions had decided in favour of such an unjust method of calculation for the 11 countries identified for review as outlined in paragraph 67 of its report (A/64/11), despite its lack of unanimity and its contradictory reasoning on the issue. The economic situation of those 11 countries had continued to worsen. Kazakhstan paid its assessed contributions in full early on in each year, and in addition disbursed voluntary contributions, but might soon be forced to consider paying only its assessed contributions. In such a situation, the developing countries would suffer. For the reasons she had described, Kazakhstan supported the amendment proposed by the Russian Federation.

30. **Mr. Sumi** (Japan) said that the agreement to apply the current methodology for the calculation of the scale of assessments for the forthcoming three years, pending an urgent review, should not be altered. While that agreement was the product of compromise, it reflected a balance of benefit for all. With regard to the amendment proposed by the Russian Federation, his delegation believed that the Fifth Committee should not override the majority view of the Committee on Contributions. To do so would call into question the usefulness of an expert body of the Organization. For the reasons he had explained, his delegation opposed the proposed amendment and wished to call for a recorded vote on it.

31. **Mr. Tsymbaliuk** (Ukraine), speaking in explanation of vote before the voting, said that he had little to add to the views expressed by the representatives of Kazakhstan and the Russian Federation except to emphasize that his delegation had been proceeding from the assumption that each and every element of the current scale methodology would be applied. Price-adjusted rates of exchange (PAREs) were one of those elements. Throughout the discussion of the scale of assessments, delegations had called for a fair, equitable and balanced methodology, and some had called for a review in order to adapt it further to the current situation. However, striving for a better-balanced methodology was all too often equated with striving to pay less. His delegation supported the amendment proposed by the Russian Federation out of a desire for a fair methodology, rather than because Ukraine would gain from an amended scale, as the benefit to it would in fact be small.

32. **Ms. Hakansson** (Sweden), speaking on behalf of the European Union in explanation of vote before the voting, expressed disappointment that the Russian Federation had chosen to pursue in a formal meeting of

the Fifth Committee an issue which had not gathered a consensus in informal consultations. Throughout the discussion of the scale of assessments for the regular budget, the European Union had made clear its position that the current methodology failed to reflect accurately and fairly the Member States' collective ownership of the Organization or their capacity to pay. The General Assembly had recognized that situation. The European Union believed that the Organization's proper operation demanded a more balanced way to share budgetary responsibility. Its own aggregated contribution to the regular budget, amounting to 40 per cent, far exceeded its aggregated gross national income, at 30 per cent. Apportionment of the expenses of the Organization should be backed by the broadest possible consensus of the membership but should also be sustainable for the Member States paying the largest share of contributions. The European Union hoped that the process which would be set in motion under the terms of the draft resolution would make the scale of assessments for the regular budget fairer and more equitable.

33. *At the request of the representative of Japan, a recorded vote was taken on the oral amendment to paragraph 6 of draft resolution A/C.5/64/L.24, submitted by the representative of the Russian Federation.*

In favour:

Armenia, Azerbaijan, Belarus, Cambodia, China, Cuba, Ecuador, Georgia, Kazakhstan, Kyrgyzstan, Lao People's Democratic Republic, Mongolia, Myanmar, Nicaragua, Qatar, Russian Federation, Serbia, Syrian Arab Republic, Tajikistan, Ukraine, Venezuela (Bolivarian Republic of), Viet Nam.

Against:

Afghanistan, Albania, Andorra, Angola, Antigua and Barbuda, Argentina, Australia, Austria, Bahamas, Bahrain, Bangladesh, Barbados, Belgium, Benin, Bosnia and Herzegovina, Bulgaria, Burkina Faso, Canada, Chile, Costa Rica, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Gabon, Germany, Ghana, Greece, Guatemala, Haiti, Hungary, Iceland, Ireland, Israel, Italy, Jamaica, Japan, Kenya, Latvia, Liechtenstein, Lithuania, Luxembourg, Maldives, Mali, Malta, Mauritania, Mexico, Monaco, Montenegro, Namibia, Nepal, Netherlands, New Zealand, Nigeria, Norway, Panama, Poland, Portugal, Republic of Korea, Romania, Rwanda, Saint Lucia, Senegal, Singapore, Slovakia, Slovenia, South Africa, Spain, Sri Lanka, Sudan, Sweden, Switzerland, Thailand, the former Yugoslav Republic of Macedonia, Timor-Leste, Trinidad and Tobago, Uganda, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, United States of America, Uruguay, Zimbabwe.

Abstaining:

Algeria, Brazil, Brunei Darussalam, Cameroon, Colombia, Congo, Côte d'Ivoire, Dominica, Dominican Republic, Egypt, Guyana, India, Indonesia, Jordan, Kuwait, Lebanon, Libyan Arab Jamahiriya, Malaysia, Mauritius, Morocco, Oman, Peru, Saudi Arabia, Togo, Tunisia, United Arab Emirates, Yemen.

34. *The oral amendment to paragraph 6 of draft resolution A/C.5/64/L.24 was rejected by 85 votes to 22, with 27 abstentions.*

35. **Mr. Chumakov** (Russian Federation) said that his delegation had elected not to request a recorded vote on the draft resolution as a whole. However, it wished to recall that the draft resolution had not been adopted by consensus and regretted that the Committee had broken with its usual practice.

36. **Mr. Tsymbaliuk** (Ukraine) said that, as he had explained earlier in the meeting, his delegation had a particular position on certain parts of the draft resolution. It had therefore not joined the consensus on it.

37. **Mr. Yaroshevich** (Belarus) said that, for the first time in many years, the draft resolution on the scale of assessments contained wording with which many delegations were unable to agree. That set a dangerous precedent for the Committee and the Organization by going against the traditional spirit of partnership and empathy. The draft resolution had been based on recommendations of the Committee on Contributions which in some cases were methodologically unsound and gave rise to suspicions of political bias damaging to the interests of entire regions whose vulnerable economies were developing or were in transition.

38. Price-adjusted rates of exchange (PAREs) should have been used for the conversion into United States dollars of data expressed in national currencies in the case of countries whose market exchange rate (MER)

valuation index was much greater than the established threshold. The delegation of Belarus, and other like-minded delegations, thought it right and fair to substitute PAREs for MERs in such cases, as the use of the latter could cause excessive income fluctuations and distortions for States whose national currencies had been undervalued and overvalued. It was regrettable that that substitution had not been made.

39. While individual Member States might have saved a little as a result of the scale contained in the draft resolution, the Organization had lost a lot in terms of mutual trust and sense of solidarity by failing to listen to the well-founded and impartial proposals of Azerbaijan, Belarus, Kazakhstan, the Russian Federation and Ukraine.

40. *Draft resolution A/C.5/64/L.24 as a whole was adopted.*

Agenda item 145: Scale of assessments for the apportionment of the expenses of the United Nations peacekeeping operations (*continued*) (A/C.5/64/L.25)

41. **The Chairman** said that, as an exceptional measure, the Bahamas and Bahrain would be treated as being in level C for the purposes of the peacekeeping scale for the period 2010-2012.

42. *Draft decision A/C.5/64/L.25 was adopted.*

43. **Ms. Bethel** (Bahamas) said that her delegation wished to express appreciation for the support given to the Bahamas and Bahrain in their efforts to be placed in level C of the peacekeeping scale. The Bahamas was committed to continuing to work with the Committee to develop scales of assessment which would meet the needs of the Organization but also provide for the fair and just apportionment of expenses among Member States, based on their capacity to pay and on differentiated sharing of the burden between developed and developing countries.

44. **Ms. Hakansson** (Sweden), speaking on behalf of the European Union, expressed the hope that ongoing discussions on the peacekeeping scale would result in objective and transparent criteria for assigning Member States to their respective levels. As the Committee had been unable to reach a common understanding in that regard, the European Union, in a spirit of compromise, had accepted the existing proposal and looked forward to the future review of the scale.

Agenda item 130: Review of the efficiency and administrative and financial functioning of the United Nations (*continued*)

Questions deferred for future consideration (A/C.5/64/L.26)

Draft decision A/C.5/64/L.26: Questions deferred for future consideration

45. *Draft decision A/C.5/64/L.26 was adopted.*

Closure of the work of the Fifth Committee during the main part of the sixty-fourth session of the General Assembly

46. **Mr. Abelian** (Secretary of the Committee) expressed the Committee's best wishes to Mr. Paul Dysenchuk, who was leaving its secretariat after many years.

47. **The Chairman** declared that the Fifth Committee had completed its work at the main part of the sixty-fourth session of the General Assembly.

The meeting rose at 2.20 a.m.